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LEGISLATIVE HISTORY

Public Law 897---80th Congress

H. R. 6248

TABLE OF CONTENTS

Digest of Public Law 897	1
Index and summary of H. R. 6248	2

DIGEST OF PUBLIC LAW 897

PRICE SUPPORTS. Agricultural Act of 1948. Title I of the act provides as follows: Prices received by cooperating producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950, are to be supported at 90% of parity. Price supports to non-cooperators are to be 54% of parity, and only on so much of the commodity as would be subject to penalty if marketed. Changes the parity base period for Maryland tobacco to August 1936 - July 1941. Prices of Irish potatoes harvested before January 1, 1949 and prices of milk and its products, hogs, chickens, and eggs marketed before January 1, 1950, shall be supported at 90% of the parity or comparable price. Prices of other Steagall commodities (mandatory) shall be supported until January 1, 1950, at not less than 60% of the parity or comparable price nor at more than the level at which the commodity was supported in 1948. The price of wool is to be supported at the 1946 price-support level until June 30, 1950 (this extends the termination date of Public Law 360, 80th Congress). Section 4(b) of the Steagall Amendment, which applies to commodities for which price support is permissive rather than mandatory, is extended to January 1, 1950. Gives the Secretary authority to require compliance with production goals and marketing regulations (including marketing agreements and orders) as a condition of eligibility of producers for price support. This applies to all commodities except the basic commodities, which have other provisions for this purpose. Revises Section 22 of the Agricultural Adjustment Act to make possible the application of import quotas or fees on any agricultural commodity if such imports may jeopardize the effectiveness of price support operations.

Title II provides as follows: The parity price for any agricultural commodity shall be determined by dividing the average price received by farmers for the commodity during the preceding ten calendar years (or during the 10 marketing seasons beginning within this period) by the index of prices received by farmers for all commodities during the same period to obtain an "adjusted base price." This adjusted base price is then multiplied by the current index of prices paid, interest, and taxes to obtain the current parity price. In addition, transitional parity prices are provided for commodities whose parity prices as calculated under the Agricultural Adjustment Act of 1938 are higher than the parity prices as calculated above. The transitional parity price of a commodity at any date shall be its parity price as calculated under the Agricultural Adjustment Act of 1938 less 5% of the parity price so determined, multiplied by the number of full calendar years which have elapsed after January 1, 1949. The Secretary of Agriculture may, after a public hearing, put into effect for particular commodities other methods of computing parity

if their parity prices as provided for above appear to be seriously out of line with the parity prices of other agricultural commodities. Revises the definition of parity income.

The definition of carry-over for cotton is changed to exclude foreign held stocks of cotton which was produced in the United States. A definition of carry-over for peanuts is added because it is needed in the determination of price support level. The normal supply of corn, cotton, rice, wheat, and peanuts for any marketing year is defined as the estimated domestic consumption of the commodity during the preceding marketing year plus the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus an allowance for carry-over. The Secretary is directed to take account of current trends in consumption and unusual conditions in determining normal supply. Normal supply in the case of tobacco shall be a normal year's domestic consumption and exports, plus 175% of a normal year's domestic consumption and 65% of a normal year's exports as an allowance for a normal carry-over. Total supply for basic commodities other than tobacco is defined as the carry-over of the commodity at the beginning of the marketing year plus estimated production and imports. Total supply of tobacco is defined as carry-over plus production.

The Secretary is given general authority to support prices of agricultural commodities to producers through loans, purchases, payments, and other operations. The following price support provisions are for the period beginning January 1, 1950: Provides for a schedule of minimum price supports for the basic commodities with a moving floor ranging from 70% of parity when the total supply is less than 70% of the normal. Whenever acreage allotments or marketing quotas are in effect, the minimum support price provided in the schedule is automatically increased by 20%, but the support shall not exceed 90% of parity. (This schedule of price supports for the basic commodities is a minimum level, and the Secretary has authority to support prices of these commodities at as high as 90% of parity.) An exception is made in the case of tobacco, which is to be supported at 90% of parity in any year in which marketing quotas are in effect. The support levels for basic commodities stated above apply only to cooperators. The level of support to non-cooperators is discretionary. In the event that quotas are disapproved by more than one-third of the affected producers voting in a referendum the support level shall be 50% of parity.

The Secretary is authorized to support prices of nonbasic commodities at any level up to 90% of parity, taking into consideration the ability and willingness of producers to keep supplies in line with demand and other factors. Storable nonbasic commodities may be supported with the aid of regular Commodity Credit Corporation funds. Non-storable nonbasic commodities (except Irish potatoes) can be supported only by means of Section 32 funds and the Commodity Credit Corporation reserve for the post-war price support of agriculture. However, regular funds of the Corporation may be used to support the prices of non-storable nonbasic commodities through operations with respect to storable commodities

processed from such commodities. In addition, the Secretary is directed to support the price of wool at such a level not less than 60% or more than 90% of parity as he may consider necessary to encourage an annual production of 360 million pounds of shorn wool, and to support the price of Irish potatoes harvested after December 31, 1949, at not less than 60% nor more than 90% of parity. The act further specifies that if any price support operation is undertaken with respect to either turkeys or chickens the same operations shall be applicable to broilers, ducks and ducklings and other poultry. Compliance with acreage allotments, production goals and marketing practices (including marketing agreements and orders) prescribed by the Secretary may also be required as a condition of eligibility for price support under Title II. In the event that the Secretary, after a public hearing, finds support price levels higher than 90% of parity to be "necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security," he may put such higher supports into effect. The Commodity Credit Corporation is directed not to sell any farm commodity owned or controlled by it at such levels as would substantially impair the effectiveness of current price support operations, but certain sales are excepted.

Marketing quotas for corn, wheat, cotton, and rice may be proclaimed when it is estimated that the total supply for the marketing year in question will exceed the normal supply by more than 20% (8% in the case of cotton) or when the average farm price for three successive months of the preceding marketing year has been 66% of parity or less provided the supply is not less than the normal supply. In every year, the Secretary is to proclaim a marketing quota for each kind of tobacco for which a marketing quota was proclaimed for the immediately preceding marketing year, and to proclaim a marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco. Prior legislation which is not changed by the Act provides that marketing quotas be proclaimed for peanuts each year. All marketing quotas are to take effect unless opposed by more than one-third of the farmers voting in a referendum.

Title III provides that beginning with fiscal year 1950, any excess of Section 32 funds over current expenditures from this source may be accumulated up to a maximum of \$300 million. In addition, it provides that marketing agreement programs in effect under the Agricultural Marketing Agreement Act of 1937 are amended to include the definition of parity prices in the Agricultural Act of 1948, and shall continue in effect without the necessity for any special amendatory action relative to such programs. All references in other laws to parity or parity prices shall be deemed to refer to parity prices as determined in accordance with the new act.

INDEX AND SUMMARY OF HISTORY ON H. R. 6248

January 22, 1947 ✓ Hearings: House, Agricultural Price Support Policy.

January 23, 1947 ✓ Hearings: Senate, To establish a farm price support Program.

April 21, 1947 ✓ Hearings: House, Long-Range Agricultural Policy.
(Some field hearings. April 21, 1947 - Jan. 13, 1948. 1542)

July 11, 1947 S. Res. 147 was introduced by Senator Thye and was referred to the Senate Committee on Agriculture and Forestry. Print of the Resolution as introduced.

July 15, 1947 H. Res. 298 was introduced by Rep. Hope and was referred to the House Committee on Rules. Print of the Resolution as introduced.

July 16, 1947 Senate Committee reported S. Res. 147 with amendments. Senate Report 563. Print of the Resolution as reported.

July 21, 1947 House Committee reported H. Res. 298. House Report 1015. Print of the Resolution as reported.

July 22, 1947 House discussed and agreed to H. Res. 298.

July 24, 1947 S. Res. 147 was reported with an additional amendment. (No report made). Print of the Resolution as reported.

July 25, 1947 S. Res. 147 debated and passed over in the Senate.

July 26, 1947 S. Res. 147 debated and agreed to in the Senate. Print of the Resolution as agreed to.

October 6, 1947 Hearings: Senate, S. Res. 147 and H. Res. 298.

October 9, 1947 Hearings: Senate, S. Res. 147. Pts. 1 and 2.

February 9, 1948 Senate Report 885, pursuant to S. Res. 147. Summary of the hearings held on this Resolution.

March 15, 1948 S. 2318 was introduced by Senator Aiken and others, and was referred to the Senate Committee on Agriculture and Forestry. Print of the bill as introduced. (Companion bill).
Remarks of the author of the bill.

March 30, 1948 H. R. 6054 was introduced by Rep. Hope and was referred to the House Committee on Agriculture. Print of the bill as introduced. (Similar bill).

March 31, 1948	Senator Magnuson proposed amendments to S. 2318. Prints of the amendment.
April 12, 1948	Hearings: Senate, S. 2318.
April 14, 1948	H. R. 6248 was introduced by Rep. Hope and was referred to the House Committee on Agriculture. Print of the bill as introduced.
April 19, 1948	Senator Lucas proposed an amendment to S. 2318. Print of the amendment.
April 21, 1948	House Committee reported H. R. 6248 with amendments. House Report 1776. Print of the bill as reported.
May 17, 1948	Senate Committee reported S. 2318 with amendments. Senate Report 1295. Print of the bill as reported.
May 20, 1948	Senators Cooper and Magnuson proposed amendments to S. 2318. Prints of the amendments.
May 24, 1948	S. 2318 was passed over in the Senate.
May 25, 1948 x	Senator Aiken proposed an amendment to S. 2318. Print of the amendment.
June 1, 1948	S. 2318 was passed over in the Senate. H. R. 6248 was discussed in the House.
June 4, 1948	H. Res. 638 was reported from the Rules Committee for the consideration of H. R. 6248. House Rept. 2200. Print of the Resolution as reported.
June 7, 1948 x	Senator Magnuson proposed an amendment to S. 2318. Print of the amendment.
June 10, 1948 x	Senator Cooper proposed an amendment to S. 2318. Print of the amendment. Remarks of Rep. Murray on long-range program.
June 11, 1948	House began debate on H. R. 6248. Remarks of Rep. Murray.
June 12, 1948	House debated and passed with amendments H. R. 6248. Remarks of Reps. D'Ewart and Sabath.
June 14, 1948	S. 2318 was made unfinished business in the Senate. Senator Frewster proposed an amendment to S. 2318. Remarks of Rep. Phillips. H. R. 6248 was referred to the House Committee on Agric. and Forestry. Print of the bill as referred.

June 15, 1948 Senate began debate on S. 2318.

Remarks of Rep. Buchanan.

Amendments to S. 2318 proposed by Senators: Frewster, Aiken, Pepper, Russell, and Sparkman.

June 16, 1948 Senate debate continued.

Remarks of Senator Sparkman.

Amendments to S. 2318 proposed by Senators: Tydings, Saltonstall, and Russell. Prints of the amendments.

June 17, 1948 Senate debated and passed S. 2318 with amendments. Language of S. 2318 was substituted for that of H. R. 6248. S. 2318 laid on the table in view of passage of H. R. 6248.

Senate Conferees appointed.

Remarks of Rep. Harris.

H. R. 6248 printed with the amendments of the Senate.

June 18, 1948 House Conferees appointed.

June 19, 1948 Both Houses received and agreed to the Conference Report. House Report 2448.

Remarks of Reps: Demengeauz, Bennet, and Senator Umstead.

June 22, 1948 Remarks of Senator Frewster and Reps: Miller, Jensen, and Brooks.

July 3, 1948 Approved. Public Law 897.

Statement by the President on signing H. R. 6248.

An analysis of the principal provisions of the Agricultural Act of 1948 and related legislation. (Prepared in the Office of the Solicitor).

Summary of H. R. 6248 or "Agricultural Act of 1948" (Prepared by P. & M. A.).

July 26, 1948 A Summary of the Agricultural Act of 1948.. Committee on Agriculture. Committee Print.

S. RES. 147

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JULY 10), 1947

Mr. THYE (for himself, Mr. AIKEN, and Mr. YOUNG) submitted the following resolution; which was referred to the Committee on Agriculture and Forestry

RESOLUTION

1 *Resolved*, That the Committee on Agriculture and Fores-
2 try, or any duly authorized subcommittee thereto, is author-
3 ized and directed to make a study and inquiry into existing
4 and pending agricultural legislation and of the trends, needs,
5 and problems of agriculture in the United States.

6 SEC. 2. The committee shall report to the Senate at
7 the earliest practicable date the results of its study, together
8 with such recommendations as it may deem desirable.

9 SEC. 3. For the purposes of this resolution, the com-
10 mittee, or any duly authorized subcommittee thereof, is
11 authorized to employ upon a temporary basis such technical,
12 clerical, and other assistants as it deems advisable. The
13 expenses of the committee under this resolution, which shall
14 not exceed \$, shall be paid from the contingent fund
15 of the Senate upon vouchers approved by the chairman of
16 the committee.

RESOLUTION

Authorizing a study of agricultural legislation,
and of trends, needs, and problems of agri-
culture.

By Mr. THYE, Mr. AIKEN, and Mr. YOUNG

JULY 11 (legislative day, JULY 10), 1947

Referred to the Committee on Agriculture and Forestry

80TH CONGRESS
1ST SESSION

H. RES. 298

IN THE HOUSE OF REPRESENTATIVES

JULY 15, 1947

Mr. HOPE submitted the following resolution; which was referred to the Committee on Rules

RESOLUTION

1 *Resolved*, That the Committee on Agriculture, acting
2 as a whole or by subcommittee, is authorized to conduct
3 studies, investigations, and to inquire into any matter within
4 its jurisdiction, including but not limited to the study of
5 long-range problems affecting agriculture and forestry; the
6 study of the operation and effectiveness of measures taken
7 pursuant to Public Law 8, Eightieth Congress, to control
8 foot-and-mouth disease or rinderpest; to study and make
9 investigations into the existence and causes of shortages and
10 surpluses of food and other agricultural commodities; to study
11 the current and prospective demand for food and other

1 agricultural commodities at home and abroad, and the effect
2 thereof upon domestic agriculture.

3 SEC. 2. For the purposes of this resolution, the Commit-
4 tee on Agriculture, or any subcommittee thereof, is author-
5 ized to sit and act during the present Congress at such times
6 and places within or outside the United States, whether the
7 House is in session, has recessed or has adjourned, to hold
8 such hearings, to make such inspections or investigations,
9 to take such testimony, and to use any governmental facility
10 without reimbursement, as it deems necessary.

11 SEC. 3. The committee shall issue such reports as it
12 deems desirable, including reports to the House of Repre-
13 sentatives, with recommendations for legislation or otherwise.

RESOLUTION

Authorizing the Committee on Agriculture to
make studies and investigations into matters
relating to agriculture.

By Mr. HOPE

JULY 15, 1947

Referred to the Committee on Rules

AUTHORIZING A STUDY OF AGRICULTURAL LEGISLATION, AND OF TRENDS, NEEDS, AND PROBLEMS OF AGRICULTURE

JULY 16, 1947.—Ordered to be printed

Mr. CAPPER, from the Committee on Agriculture and Forestry, submitted the following

REPORT

[To accompany S. Res. 147]

The Committee on Agriculture and Forestry, to whom was referred the resolution (S. Res. 147) authorizing a study of agricultural legislation, and of trends, needs, and problems of agriculture, having considered same, report thereon with a recommendation that it do pass with amendments.

Strike out all of section 1, lines 1 to 5 inclusive, and insert in lieu thereof the following:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittees thereof, is authorized and directed to make a study and inquiry into the trends, needs, and problems of agriculture and forestry in the United States, Territories, and possessions.

In line 14, insert "\$15,000" after the words "not exceed."

The title is amended to conform to the amendments made in the body of the bill.

A proposed budget, approved by the committee, to accompany Senate Resolution 147, is attached hereto and made a part of said report.

Senate Committee on Agriculture and Forestry Budget to accompany Senate Resolution 147, for period Aug. 3, 1947, to Feb. 2, 1948

	Per month	Total
Salary, Secretary.....	\$281.54	\$1,689.24
Field investigations and hearings.....	1,433.33	8,599.98
Office expenses, telephone, telegraph, supplies.....	200.00	1,200.00
Recording of proceedings.....	450.00	2,700.00
Total estimated budget required.....	2,364.87	14,189.22
Total proposed budget.....		15,000.00

S. RES. 147

[Report No. 563]

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JULY 10), 1947

Mr. THYE (for himself, Mr. AIKEN, and Mr. YOUNG) submitted the following resolution; which was referred to the Committee on Agriculture and Forestry

JULY 16, 1947

Reported by Mr. CAPPER, with amendments, and referred to the Committee on Rules and Administration

[Omit the part struck through and insert the part printed in italic]

RESOLUTION

1 ~~Resolved, That the Committee on Agriculture and Fores-~~
2 ~~try, or any duly authorized subcommittee thereto, is author-~~
3 ~~ized and directed to make a study and inquiry into existing~~
4 ~~and pending agricultural legislation and of the trends, needs,~~
5 ~~and problems of agriculture in the United States.~~

6 *Resolved, That the Committee on Agriculture and Fores-*
7 *try, or any duly authorized subcommittees thereof, is author-*
8 *ized and directed to make a study and inquiry into the*
9 *trends, needs and problems of agriculture in the United*
10 *States, Territories and possessions.*

11 SEC. 2. The committee shall report to the Senate at

1 the earliest practicable date the results of its study, together
2 with such recommendations as it may deem desirable.

3 SEC. 3. For the purposes of this resolution, the com-
4 mittee, or any duly authorized subcommittee thereof, is
5 authorized to employ upon a temporary basis such technical,
6 clerical, and other assistants as it deems advisable. The
7 expenses of the committee under this resolution, which shall
8 not exceed \$15,000, shall be paid from the contingent fund
9 of the Senate upon vouchers approved by the chairman of
10 the committee.

80TH CONGRESS
1ST SESSION

S. RES. 147

[Report No. 563]

RESOLUTION

Authorizing a study of agricultural legislation,
and of trends, needs, and problems of agri-
culture.

By Mr. THYE, Mr. AIKEN, and Mr. YOUNG

JULY 11 (legislative day, July 10), 1947

Referred to the Committee on Agriculture and Forestry

JULY 16, 1947

Reported with amendments and referred to the
Committee on Rules and Administration

AUTHORIZING THE COMMITTEE ON AGRICULTURE TO
MAKE STUDIES AND INVESTIGATIONS INTO MATTERS
RELATING TO AGRICULTURE

JULY 21, 1947.—Referred to the House Calendar and ordered to be printed

Mr. ALLEN of Illinois, from the Committee on Rules, submitted the
following

REPORT

[To accompany H. Res. 298]

The Committee on Rules, having had under consideration House Resolution 298, reports the same to the House with the recommendation that the resolution do pass.



House Calendar No. 147

80TH CONGRESS
1ST SESSION

H. RES. 298

[Report No. 1015]

IN THE HOUSE OF REPRESENTATIVES

JULY 15, 1947

Mr. HOPE submitted the following resolution; which was referred to the Committee on Rules

JULY 21, 1947

Referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That the Committee on Agriculture, acting
2 as a whole or by subcommittee, is authorized to conduct
3 studies, investigations, and to inquire into any matter within
4 its jurisdiction, including but not limited to the study of
5 long-range problems affecting agriculture and forestry; the
6 study of the operation and effectiveness of measures taken
7 pursuant to Public Law 8, Eightieth Congress, to control
8 foot-and-mouth disease or rinderpest; to study and make
9 investigations into the existence and causes of shortages and
10 surpluses of food and other agricultural commodities; to
11 study the current and prospective demand for food and other

1 agricultural commodities at home and abroad, and the effect
2 thereof upon domestic agriculture.

3 SEC. 2. For the purposes of this resolution, the Commit-
4 tee on Agriculture, or any subcommittee thereof, is author-
5 ized to sit and act during the present Congress at such times
6 and places within or outside the United States, whether the
7 House is in session, has recessed or has adjourned, to hold
8 such hearings, to make such inspections or investigations,
9 to take such testimony, and to use any governmental facility
10 without reimbursement, as it deems necessary.

11 SEC. 3. The committee shall issue such reports as it
12 deems desirable, including reports to the House of Repre-
13 sentatives, with recommendations for legislation or otherwise.

House Calendar No. 147

80TH CONGRESS
1ST SESSION

H. RES. 298

[Report No. 1015]

RESOLUTION

Authorizing the Committee on Agriculture to
make studies and investigations into matters
relating to agriculture.

By Mr. HOPE

JULY 15, 1947

Referred to the Committee on Rules

JULY 21, 1947

Referred to the House Calendar and ordered to be
printed

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued July 23, 1947
For actions of July 22, 1947
80th-1st, No. 141

CONTENTS

Agricultural appropriation bill (individual items not indexed.....)	1	Flood control.....	9,27	Monopolies.....	30
Appropriations.....	1, 4, 10, 16, 27	Foreign affairs.....	7	Natural resources.....	33
Assistant secretaries.....	17	Garbage disposal.....	18	Nominations.....	17
Atomic energy.....	8	Housing.....	15, 20	Personnel.....	11, 23, 28
Auditing.....	15	Information.....	36	Prices, control.....	22
Consumer credit.....	6	Labor.....	32	R.F.C.....	25
Cotton.....	26	Labor, farm.....	2	Research.....	8, 12
Electrification, rural....	5	Lands.....	19, 24	Section 32 funds.....	26
Farm program.....	3	Lands, farm.....	34	Transportation.....	30
Fisheries.....	21	Lands, reclamation.....	35	Water pollution.....	13, 29
		Latin America.....	14	Water utilization.....	31
		Minerals.....	5, 24	Wool.....	26

HIGHLIGHTS: House received 2nd conference report on agricultural appropriation bill. Both Houses agreed to conference report on National Science Foundation bill. Interior appropriation bill ready for President. House passed bill for disposition of farm-labor camps. House agreed to resolution for agriculture studies by Agriculture Committee. Senate committees reported bills to extend Civil Service Retirement Act to certain farm-loan employees and to facilitate USDA flood control surveys.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL. Received the second conference report on this bill, H. R. 3601 (pp. 9925-6). The conferees agreed to the following items:
- Agricultural conservation program, \$265,635,044 (House figure; Senate figure was \$295,635,044). Administrative expenses, ACP, \$24,500,000 (House, \$22,000,000; Senate, \$27,500,000). 1948 ACP, \$150,000,000 (Senate figure; House proposed no 1948 program). Maximum payment to any participant, no limit in 1947 but \$500 limit in 1948 program (Senate provision; House proposed \$500 limit in 1947).
- Farm-tenant loans, \$15,000,000 (House, none; Senate, \$20,000,000).
- Meat inspection, \$5,000,000 for a "meat-inspection fund" with provision for reimbursement of costs by packers. (House provision; Senate proposed \$11,140,000 to be financed by the Government).
- Penalty mail, \$3,486,000 (Senate figure; House, \$3,186,000).
- BAI D. C. salary limitation, \$1,059,000 (House figure; Senate, \$1,061,840).
- The statement of the House conferees says, "...the conferees herewith direct the Department of Agriculture to limit expenditures for departmental personal services in the District of Columbia under 'Bureau of Animal Industry' appropriations for fiscal year 1948 (other than for meat inspection) to a sum not exceeding \$651,100."
- School-lunch program. The House conferees' statement says: "The managers on the part of the House will move to recede and concur in amendment No. 43 which strikes out a direct appropriation of \$45,000,000 provided by the

House and to recede and concur in Senate amendment No. 59, authorizing \$75,000,000 of section 32 funds, with an amendment providing \$65,000,000, instead of \$75,000,000, as provided by the Senate, together with a limitation that no part of the fund shall be used for nonfood assistance."

2. FARM LABOR. Passed without amendment H. R. 4254, providing for disposition of farm-labor camps to public or semipublic agencies or non-profit associations of farmers (pp. 9927-8).
 3. AGRICULTURE STUDIES. Agreed, without amendment, to H. Res. 298, authorizing the Agriculture Committee "to conduct studies, investigations, and to inquire into any matter within its jurisdiction, including but not limited to the study of long-range problems affecting agriculture and forestry; the study of the operation and effectiveness of" the foot-and-mouth disease campaign; "to study and make investigations into the existence and causes of shortages and surpluses of food and other agricultural commodities; to study the current and prospective demand for food and other agricultural commodities at home and abroad, and the effect thereof upon domestic agriculture" (p. 9927).
 4. D. C. APPROPRIATION BILL. Both Houses agreed to the conference report on this bill, H. R. 4106 (pp. 9816-7, 9889). This bill will now be sent to the President.
 5. MINERALS. Passed, 175-78, with amendments H. R. 1602, to establish a National Mineral Resources Division in the Interior Department (pp. 9894-912). As passed, the bill eliminates the provision for this new Division and continues for 2 years the premium-price plan for copper, lead, and zinc through RFC. Rep. Martin, Iowa, defended REA against copper-hoarding charges (p. 9904).
 6. CONSUMER-CREDIT CONTROLS. Passed with amendment H. J. Res. 222, to extend authority for modified consumer-credit controls by the Federal Reserve Board until Dec. 31, 1947 (pp. 9914-22).
 7. FOREIGN AFFAIRS. Agreed without amendment to H. Res. 295, authorizing the Foreign Affairs Committee to conduct studies and investigations into all matters within its jurisdiction (pp. 9926-7).
Agreed without amendment to H. Res. 296, creating a select committee to study needs of foreign countries with respect to food, clothing, economic rehabilitation, etc. (pp. 9923-5).
 8. ATOMIC ENERGY. Rep. Holifield, Calif., criticized "effort to discredit atomic-bomb scientists," and included various newspaper item excerpts on the subject (pp. 9931-5).
- SENATE
9. FLOOD CONTROL. The Public Works Committee reported without amendment H.R. 3146, to authorize the Department to make flood control examinations and surveys of watersheds, concerning which the War Department is authorized to make surveys of the waterways, and authorizes the Department of Agriculture to make supplemental flood control reports when requested by either Public Works Committee (S.Rept. 682) (p. 9804).
Received from the War Department a report on Smith River, Oreg. (S.Doc.94) (p. 9808).
 10. INTERIOR DEPARTMENT APPROPRIATION BILL, 1948. Agreed to the conference report on this bill, H.R. 3123, and to the House amendments to the Senate amendments

the previous resolution, the Foreign Affairs Committee has a special field to cover which is not included in the resolution appointing or naming the special committee on economic aid to Europe. I think this resolution is well understood by every Member of the House.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Pennsylvania.

Mr. RICH. The Herter resolution that was just passed provides for the same functions as this resolution does, so far as foreign investigations are concerned, does it not?

Mr. BROWN of Ohio. I am very sorry that the gentleman did not catch the distinction and the difference between the two resolutions when they were presented to the Committee on Rules, because there is a great difference. The Herter resolution does not grant the special committee authority over foreign affairs matters, but simply over economic aid to Europe. The Committee on Foreign Affairs does have a great many other responsibilities in the field of foreign relations. That is the difference.

Mr. RICH. Mr. Speaker, will the gentleman yield further?

Mr. BROWN of Ohio. I cannot yield further now.

Mr. RICH. Can I get time in order to let the House know something what I think about this resolution?

Mr. BROWN of Ohio. Yes. I am sorry that the gentleman did not understand the matter when it was before the Rules Committee, although he supported the resolution at that time.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. I understood, in explaining the Herter resolution, that there would be members of the Committee on Foreign Affairs on the Herter committee; is that right?

Mr. BROWN of Ohio. That is right, and Members from other committees, such as the Committee on Banking and Currency that have to deal with the economic-aid problem. But this resolution is restricted to the responsibilities of the Committee on Foreign Affairs.

Mr. RICH. Mr. Speaker, will the gentleman yield now?

Mr. BROWN of Ohio. Yes.

Mr. RICH. I would like to direct my question to the gentleman from Ohio. If the Herter resolution, as I suggested in the Committee on Rules, is going to give permission to Members of Congress to travel in foreign countries, why could not we, as a matter of economy, permit the Members of the Committee on Foreign Affairs to go with them in conjunction with the things that they are going to investigate, and thus save five or six Members of the Committee on Foreign Affairs or other committees going over?

Mr. BROWN of Ohio. Oh, you could have one committee do everything that the Congress of the United States has to do in the next few months. But, of course, such a committee just simply would never get through with its duties

and responsibilities. It could not cover the entire waterfront. That is the reason we have more than one committee in the House and in the Senate. There is too much work to do.

Mr. RICH. They cannot cover the world.

[Mr. SABATH addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. SABATH asked and was given permission to revise and extend his remarks.)

Mr. HERTER. Mr. Speaker, I move the previous question on the resolution. The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON WAYS AND MEANS

Mr. HERTER. Mr. Speaker, I call up House Resolution 293, to authorize the Committee on Ways and Means to continue its investigation and study of the internal revenue laws, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Ways and Means, acting as a whole or by subcommittee, is authorized and directed to continue its full and complete investigation and study of the need for amendment and revision of the internal revenue laws.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, as it deems necessary.

Mr. EBERHARTER. Mr. Speaker, will the gentleman from Massachusetts [Mr. HERTER] yield?

Mr. HERTER. I yield.

Mr. EBERHARTER. This resolution does not authorize the employment of any investigators or advisers nor the expenditure of any money, does it?

Mr. HERTER. That is quite correct.

Mr. EBERHARTER. It only permits the Committee on Ways and Means to sit and continue its studies and to act during the recess or adjournment of Congress?

Mr. HERTER. That is correct.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON AGRICULTURE

Mr. HERTER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 298, authorizing the Committee on Agriculture to make studies and investigations into matters relating to agriculture, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Agriculture, acting as a whole or by subcommittee, is authorized to conduct studies, investigations, and to inquire into any matter within its jurisdiction, including but not limited to the study of long-range problems affecting agriculture and forestry; the study of the operation and effectiveness of measures taken

pursuant to Public Law 8, Eightieth Congress, to control foot-and-mouth disease or rinderpest; to study and make investigations into the existence and causes of shortages and surpluses of food and other agricultural commodities; to study the current and prospective demand for food and other agricultural commodities at home and abroad, and the effect thereof upon domestic agriculture.

SEC. 2. For the purposes of this resolution, the Committee on Agriculture, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to make such inspections or investigations, to take such testimony, and to use any governmental facility without reimbursement, as it deems necessary.

SEC. 3. The committee shall issue such reports as it deems desirable, including reports to the House of Representatives, with recommendations for legislation or otherwise.

Mr. HERTER. Mr. Speaker, so far as I know, this matter was unanimously approved by the Committee on Rules and no objection was raised to it.

I yield 30 minutes to the gentleman from Illinois [Mr. SABATH].

[Mr. SABATH addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. HERTER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLOOD-CONTROL WORKS ON LITTLE SIOUX RIVER

Mr. JENSEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4111) authorizing the construction of flood-control works on the Little Sioux River and its tributaries in Iowa.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the project for flood control on the Little Sioux River and its tributaries, recommended in the report of the Chief of Engineers, United States Army, in House Document No. 275, Eightieth Congress, first session, at an estimated cost of \$3,320,000, is hereby adopted and authorized, and shall be prosecuted under the direction of the Secretary of War and the supervision of the Chief of Engineers in accordance with the plan recommended in that report and subject to the conditions of local cooperation set forth therein.

SEC. 2. There is hereby authorized to be appropriated such sums as may be needed to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF FARM-LABOR CAMPS

Mr. HOPE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 4254) providing for the disposition of farm-labor camps to public or semipublic agencies or non-profit associations of farmers.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MONRONEY. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Committee on Agriculture whether this will authorize these associations to have priority claims over farmers who had once owned this land before it was condemned by the Government.

Mr. HOPE. This does not deal with land as such. The gentleman understands this is the disposition of farm-labor camps, some of which have been in operation since 1935. I do not think there is any question involved as to the rights of any prior owners to obtain the land.

Mr. MONRONEY. If I understand the distinguished chairman, the title to the land on which these camps are located is not involved in this legislation?

Mr. HOPE. That is correct. I do not think any of these camps are located on land acquired by condemnation. It was all purchased by the Government agencies which erected the camps.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 2 (d) of the Farmers' Home Administration Act of 1946 and section 43 (d) of the Bankhead-Jones Farm Tenant Act, as added by the Farmers' Home Administration Act of 1946, the Secretary of Agriculture may dispose of any labor supply center, labor home, labor camp or facility referred to in said sections and any equipment pertaining thereto or used in the Farm Labor Supply Program (hereafter referred to as "facilities") for such prices and under such terms and conditions as the Secretary may determine reasonable, after taking into consideration the responsibilities to be assumed by the purchaser, to any public or semipublic agency or any nonprofit association of farmers in the community who will agree to operate and maintain such facilities for the principal purpose of housing persons engaged in agricultural work and to relieve the Government of all responsibility in connection therewith. In disposing of such facilities, the Secretary shall give due consideration to the ability of the applicants to maintain and operate such facilities for housing agricultural workers.

SEC. 2. In order that such public or semipublic agencies or nonprofit associations of farmers may have adequate time to make necessary arrangement for authorizations and funds to acquire such facilities, the authority to dispose of such facilities to such agencies is to continue until June 30, 1949. After January 30, 1948, and pending the thereof, no facility shall be continued in operation except under contractual arrangements with responsible public, or semipublic agencies or nonprofit associations of farmers who will agree to operate such facilities for the principal purpose of housing persons engaged in agricultural work and to relieve the Federal Government of all financial responsibility in connection with the operation of such facilities. Any facility with respect to which no such contractual arrangement has been made by January 30, 1948, shall be operated as expeditiously as possible under the provisions of this act or section 43 (d) of the Farmers' Home Administration Act of 1946, and in any event not later than June 30, 1949. Any facility which is continued in operation after January 30, 1948, pursuant to a contractual arrangement with

a public or semipublic agency or nonprofit association of farmers and which remains unsold on June 30, 1949, shall be disposed of as expeditiously as possible under the provisions of section 43 (d) of the Farmers' Home Administration Act of 1946.

SEC. 3. The funds made available under the item "Farm Labor Supply Program" in the Second Deficiency Appropriation Act, 1947 (Public Law No. 76, 80th Cong.), are also hereby made available until expended for carrying out the purposes of this act and in addition thereto, there is authorized to be appropriated such additional sums as may be necessary.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTROL OF EXPORTS OF GASOLINE AND PETROLEUM PRODUCTS

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4042) to control the export to foreign countries of gasoline and petroleum products from the United States.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. WEICHEL]?

Mr. RAYBURN. Reserving the right to object, Mr. Speaker, I want to inquire of the gentleman from Indiana if this is the last bill.

Mr. HALLECK. It is.

Mr. SABATH. Reserving the right to object, what does this bill aim to do? What is the purpose of the bill?

Mr. HALLECK. The bill came out of the Merchant Marine and Fisheries Committee with a unanimous report. It is called up after the matter was cleared with the ranking member on the Democratic side. It is a bill that seeks to have certain determinations by the Secretary of Commerce with respect to the export of oil as that might affect the national security and national defense of this country.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That no gasoline, Diesel oil, bunker oil, lubricating oil, nor any petroleum products whatsoever, shall be moved or transported from the United States to a foreign country, unless the Commerce, Navy, and War Departments shall certify in writing that any such gasoline, Diesel oil, bunker oil, lubricating oil, or petroleum products to be moved or transported from the United States will not prejudice nor impair the national defense nor the continuous nonrestricted use of gasoline, Diesel oil, bunker oil, lubricating oil, or petroleum products by the people of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That no gasoline, Diesel oil, bunker oil, nor lubricating oil shall be moved or transported from the United States to a foreign country, unless the Secretary of Commerce shall certify to the President in writing that any such movement or transportation of gasoline, Diesel oil, or lubricating oil will not impair the national defense, endanger the national security, nor impair the civilian use of gasoline, Diesel oil, bunker oil, or lubricating oil by the people of the United States.

"SEC. 2. That the Secretary of Commerce make a monthly report of such petroleum products exported, to the President pro tempore of the Senate and the Speaker of the House.

"SEC. 3. That this act shall expire March 31, 1948."

Mr. WEICHEL. Mr. Speaker, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. WEICHEL to the committee amendment: On page 2, line 9, after the words "Diesel oil" insert the words "bunker oil."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOURLY OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a. m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. EBERHARTER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial on the subject of taxes.

Mr. DEVITT. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD in two instances, in one to include a radio address, and in the other a summary of a plan with reference to civil service. I am advised by the Public Printer that this exceeds the limit set by the Joint Committee on Printing and will cost \$189.34. Notwithstanding the excess, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the excess, without objection, the extensions may be made.

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD previous to the vote on House Resolution 296.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TIBBOTT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. CARSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from Sports Afield.

Mr. HUBER asked and was given permission to revise and extend the remarks he made earlier in the day.

Mr. DONOHUE asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

S. RES. 147

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JULY 10), 1947

Mr. THYE (for himself, Mr. AIKEN, and Mr. YOUNG) submitted the following resolution; which was referred to the Committee on Agriculture and Forestry

JULY 16, 1947

Reported by Mr. CAPPER, with amendments, and referred to the Committee on Rules and Administration

JULY 24 (legislative day, JULY 16), 1947

Reported by Mr. BROOKS, with an additional amendment

[Omit the part struck through and insert the part printed in italic]

JULY 26 (legislative day, JULY 16), 1947

Considered, amended, and agreed to

RESOLUTION

1 *Resolved*, That the Committee on Agriculture and For-
2 estry, or any duly authorized subcommittees thereof, is
3 authorized and directed to make a study and inquiry into the
4 trends, needs and problems of agriculture in the United
5 States, Territories and possessions.

6 SEC. 2. The committee shall report to the Senate at
7 the earliest practicable date the results of its study, together
8 with such recommendations as it may deem desirable.

9 SEC. 3. For the purposes of this resolution, the com-
10 mittee, or any duly authorized subcommittee thereof, is
11 authorized during the sessions, recesses, and adjourned periods

1 of the Eightieth Congress to employ upon a temporary basis
 2 such technical, clerical, and other assistants as it deems
 3 advisable. The expenses of the committee under this reso-
 4 lution, which shall not exceed \$15,000, shall be paid from
 5 the contingent fund of the Senate upon vouchers approved
 6 by the chairman of the committee.

80TH CONGRESS
1ST Session

S. RES. 147

RESOLUTION

Authorizing a study of agricultural legislation,
and of trends, needs, and problems of agri-
culture.

By Mr. TAYLOR, Mr. AUKEN, and Mr. YOUNG

JULY 11 (legislative day, JULY 10), 1947

Referred to the Committee on Agriculture and Forestry

JULY 16, 1947.

Reported with amendments and referred to the
Committee on Rules and Administration

JULY 24 (legislative day, JULY 16), 1947

Reported with an additional amendment

JULY 26 (legislative day, JULY 16), 1947

Considered, amended, and agreed to

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued July 28, 1947
For actions of July 25 & 26, 1947
Digests 144 and 145

CONTENTS

A.A. Act.....	53	Flood control....	33, 47, 89, 97	Poultry.....	36, 48
Accounting.....	20	Foreign affairs....	16, 27, 49, 63, 65, 85	Prices.....	11, 60
Adjournment.....	76a	Forests & forestry....	26, 52	Prices, control.....	41
Agricultural appropriation bill (individual items not indexed)....	49	Garbage disposal.....	70	Prices, support.....	16, 69
Appropriations....	1, 10, 28, 45, 49, 74, 75, 93, 99	Grain.....	8	Property, surplus....	19, 66, 97
Auditing.....	30, 57, 73	Housing.....	11, 72	Public works.....	17
Bankruptcy.....	21	Information.....	18, 39, 65	Purchasing.....	1, 35, 82
Buildings and grounds....	86	Insect control.....	49	Regional authority.....	59
Calendar.....	80	Labor, farm.....	1	Remount service.....	49, 56
Claims.....	6, 67	Lands.....	11, 83, 94	Research.....	34, 54, 84
Committees.....	29, 76	Lands, reclamation....	90, 96	Small business.....	38, 62
Consumer credit.....	7	Latin America.....	63	Soil conservation.....	44, 98
Cooperatives.....	43	Livestock and meat....	5, 49	Statistics.....	92
Corporations.....	1, 49	Loans.....	4	Sugar.....	1, 2, 49
Cotton.....	58	Loans, farm.....	1, 30, 57, 77	Territories and pos- sessions.....	81, 98
Crop insurance.....	13, 50	Marketing.....	49, 51, 54	Tobacco.....	79
Education.....	3, 71	Minerals.....	61	Trade, foreign.....	8, 37, 85
Electrification, rural....	68, 87	Organization, executive..	49	Transportation.....	32, 42, 58
Farm program....	9, 14, 55, 76	Organization, legislative..	39, 46	Veterans' benefits....	3, 71
Fats and oils.....	92	Peanuts.....	53	War powers.....	91
Fisheries.....	25	Personnel....	23, 29, 31, 40, 64, 78, 88, 95	Water pollution.....	24
		Philippine rehabilitation..	27	Weed killers.....	15
				Wool.....	12, 69

HIGHLIGHTS: Bills cleared for President: Agricultural appropriation bill, Government corporations appropriation bill, First and Second supplemental appropriation bills, amend and extend the Sugar Act, place crop insurance on limited basis, amend Marketing Agreement Act, liberalize GI farm training, provide for wool-price supports, revise peanut-quota provisions, regulate garbage imports. Both Houses agreed to resolutions authorizing their Agriculture Committees to study a long-range farm program. Tongass Forest bill was probably cleared for President. House asked USDA to investigate weed killers. Both Houses authorized investigation of high prices. Sen. Morse spoke favoring Remount Service bill.

SENATE - July 25

1. **APPROPRIATIONS.** Rejected 1-83, the conference report on H. R. 3756, the Government corporations appropriation bill (pp. 10384-91). Sen. Vandenberg, Mich., and others objected to the provision making FDIC subject to budgetary control; and Sen. Vandenberg said, "They tear down the Farm Credit Organization...there is a great deal to be said for the objection which is to be made against an equivalent raid on the independence of the farm cooperative institutions" (p. 10387).

Passed with amendments H. R. 4269, the supplemental appropriation bill (pp. 10264-8, 10372-83). Sens. Ball, Brooks, Ferguson, Cordon, McKellar, Hayden, and Tydings were appointed conferees (p. 10383). Reps. Taber, Wigglesworth, Engel, Stefan, Case, Keefe, Cannon, Kerr, and Mahon were appointed conferees (p. 10321). Regarding the Sugar Rationing Administration item, Sen. Flanders, Vt., said: "...by agreeing to the amendment, we end sugar rationing at once" (p. 10265). Rejected an amendment by Sen. Ball, Minn., to provide \$1,350,000 additional to continue the USDA farm-labor program through June 30, 1948, and a committee amendment to strike out the item for a Farm Placement Service in the Labor Department in view of the Ball amendment; thus the Senate action was to transfer the farm-labor program back to the Labor Department (pp. 10374-83). Sen. Russell attempted to clear up a misunderstanding as to the

Senate committee in commenting in its report on the Federal catalog proposal, and subcommittee chairman Ball said: "The committee in its report certainly did not intend to place any limitation on funds available in other items, but was referring merely to the Budget estimate of \$2,700,000 for a special project" (p. 10383).

The Appropriations Committee reported with amendments H. R. 4347, the 2nd supplemental appropriation bill (S. Rept. 767) (p. 10368).

Sen. Tydings, Md., inserted a statement showing the budget and congressional figures for each appropriation bill for 1948 (pp. 10400-1).

2. SUGAR. Passed as reported H. R. 4075, to amend and extend the Sugar Act of 1937 (pp. 10411-22). Rejected, 40-42, an amendment by Sen. Chavez, N. M., to strike out the provision preventing increased quotas to countries which deny fair treatment to Americans (pp. 10420-1), and the committee amendment on labor standards (p. 10418). This bill will now be sent to the President.
3. FARM TRAINING. Passed as reported H. R. 2181, to liberalize the farm-training provisions of the Servicemen's Readjustment Act, after rejecting, 31-45, a motion by Sen. Taft, Ohio, to recommit the bill (pp. 10391-400, 10404-7).
4. LOANS. The Joint Committee on Reduction of Nonessential Federal Expenditures submitted a report on Federal lending operations (S. Doc. 103), and Chairman Byrd discussed the report (p. 10434).
5. FOOT-AND-MOUTH DISEASE. Received the 30-day report of this Department on progress of the foot-and-mouth disease campaign in Mexico; to Agriculture and Forestry Committee (p. 10368).
6. CLAIMS. The Judiciary Committee reported with amendments H. R. 3690, to amend the Federal Tort Claims Act regarding death statutes and decisions in Ala. and Mass. (S. Rept. 763) (p. 10368).
7. CONSUMER CREDIT. Both Houses agreed to the conference report on S. J. Res. 148, to provide for temporary continuation of consumer-credit regulation authority (pp. 10439, 10274-5). This measure will now be sent to the President.
8. GRAIN EXPORTS. Sen. Butler, Nebr., spoke in favor of S. 1586, to provide for U. S. grain exports through private industry (pp. 10440-1).
9. AGRICULTURAL STUDIES. Debated S. Res. 147, authorizing the Agriculture and Forestry Committee to study agricultural legislation and the trends, needs, and problems of agriculture; Sen. Taylor, Idaho, objected to the resolution (pp. 10448, 10452-3).
10. APPROPRIATIONS. Both Houses agreed to the conference report on H. R. 3678, the War Department military appropriation bill (pp. 10402-3, 10305-10). This bill will now be sent to the President.
11. INVESTIGATIONS. Agreed, without amendment, to S. Res. 148, authorizing the Public Lands Committee to investigate matters within its jurisdiction (pp. 10448, 10450-1).
Agreed, with amendments, to H. Con. Res. 104, authorizing a joint housing investigation; and Senate conferees were appointed (pp. 10448-50).
Discussed and passed over, on objection of Sen. Taylor, Idaho, S. Con. Res. 19, to establish a joint subcommittee to investigate high prices of consumer goods (p. 10451).

has been recommended by the Department of Commerce, but it received very short shrift in the Senate.

I cannot see any real basis for feeling that there is any sincere interest on the other side of the aisle in small business. I do not propose to vote to extend this committee until there is some better evidence on the other side of the aisle that Republican Senators are really interested in small business. If the resolution proposed to extend the committee only until next January, I think that would be another matter; but it is proposed to extend it for a year or more. I am unable to see that there is any real desire to help small business. Therefore I object.

The PRESIDENT pro tempore. The resolution will be passed over.

Mr. WHERRY. Mr. President, will the Senator permit me to offer an amendment to the bill?

Mr. FULBRIGHT. I will withhold my objection if it may be passed over until tomorrow.

Mr. WHERRY. Will the Senator permit me to offer an amendment, in view of what the distinguished Senator said relative to the committee?

Mr. FULBRIGHT. Certainly. I withhold my objection.

Mr. WHERRY. I thank the Senator.

The PRESIDENT pro tempore. The resolution cannot be amended unless it is taken up.

Is there objection to the present consideration of Senate resolution 153?

There being no objection, the Senate proceeded to consider the resolution.

Mr. WHERRY. Mr. President, I desire to offer an amendment. At the proper place in the resolution I propose to amend it by making the date April 1, 1948. The reason I do so is that January and February are busy months. However, I guarantee that there will be all the opportunity that any Senator desires to reinvestigate the committee, and if the Senate does not want the committee on April 1, it will be all right with me.

The PRESIDENT pro tempore. Is there objection to the amendment?

Mr. FULBRIGHT. Mr. President, I object to further consideration of the resolution.

The PRESIDENT pro tempore. Objection is heard, and the resolution will be passed over.

TERMINATION OF CERTAIN TAX PROVISIONS—CONFERENCE REPORT

Mr. MILLIKIN submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4069) to terminate certain tax provisions before the end of World War II, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 14.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12,

13, 15, 16, 17, 18, and 19, and agree to the same.

E. D. MILLIKIN,
ROBERT TAFT,
WALTER F. GEORGE,

Managers on the Part of the Senate.

HAROLD KNUTSON,
DANIEL A. REED,
ROY O. WOODRUFF,
JERE COOPER,
WILBUR D. MILLS,

Managers on the Part of the House.

Mr. MILLIKIN. Mr. President, I ask unanimous consent for the present consideration of the conference report.

There being no objection, the Senate proceeded to consider the report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. LODGE. Mr. President, may we have an explanation of the report?

Mr. MILLIKIN. Mr. President, the House accepted all the Senate amendments except one, which would have permitted depletion allowances for minerals and mineral salts in connection with potash and thenardite.

Mr. LODGE. What is the effect of the bill now?

Mr. MILLIKIN. The net effect is that approximately 18 amendments of the Senate have been accepted, with the one exception which I have mentioned. The Senator will recall that the bill involved the question of certain exemptions for officer personnel and enlisted men. We allowed a uniform 1-year extension, until the end of next year, to both officers and enlisted men. That is the net effect.

Mr. LODGE. Does the bill lift any existing taxes?

Mr. MILLIKIN. This bill was intended to take a large group of statutes which expired by virtue of the President's proclamation ending hostilities and give them definite expiration dates.

Mr. LODGE. Does it have the effect of removing certain taxes?

Mr. MILLIKIN. It removes the taxes, for example, to the extent of a \$1,500 exemption for officers in the military service until the end of the next year. It also completely exempts the pay of military personnel of rank less than that of officer.

Mr. LODGE. But it does not lift excise taxes?

Mr. MILLIKIN. No; it has nothing to do with excise taxes.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF TARIFF ACT OF 1930—CONFERENCE REPORT

Mr. MILLIKIN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 238) to amend paragraph 1772 of the Tariff Act of 1930, having met, after full and free conference, have

agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(but only until July 1, 1948, in the case of paper in rolls of less than 15 inches in width)"; and the Senate agree to the same.

E. D. MILLIKIN,
ROBERT TAFT,
WALTER F. GEORGE,

Managers on the Part of the Senate.

HAROLD KNUTSON,
DANIEL A. REED,
ROY O. WOODRUFF,
JERE COOPER,
WILBUR D. MILLS,

Managers on the Part of the House.

Mr. MILLIKIN. The effect of the conference report, Mr. President, is to put on the free list paper which is in rolls of 15 inches or more, on an indefinite basis, and to put on the free list for 1 year, or until July 1, 1948, paper less than 15 inches and not less than 9 inches.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDENT pro tempore. Is there any objection to Calendar No. 766, Senate Resolution 120?

Mr. LUCAS. Mr. President, may we have an explanation of that resolution?

Mr. WILEY. Mr. President, this resolution appropriates \$25,000 for expenses in connection with hearings held by the Committee on the Judiciary. Forty-five thousand dollars was requested for the extreme activities which the committee had to undertake. The Committee on Rules and Administration cut that to \$25,000. I might say that \$20,000 of that is for the running of the committee. The Committee on the Judiciary has performed about 30 percent of the activities of the Senate, and has expended up to \$10,000, which was appropriated for the two sessions, and we have felt that for the coming session we would have to have approximately \$20,000 to cover the entire field of activities that have been designated to us under the Reorganization Act. Only \$5,000 is set aside for investigation.

Let me say to the Senate that in order to get things accomplished I have had to loan as many as two or three of my own individual force, out of my office, in connection with the tremendous volume of work which had to be done. We have had approximately 70 nominations, over 700 bills, and it has been approximately an 80-hour-a-week proposition for us. In the sum requested there is \$5,000 which involves our obligations to investigate penitentiaries and the other activities delegated to us under the Reorganization Act. We shall have to employ at least two more stenographers, unless it is expected that I provide stenographers.

Mr. LUCAS. Why does it require \$25,000 for investigations?

Mr. WILEY. The Senator did not understand me. There is only \$5,000 involved in the investigation. Under the Reorganization Act it is not so much a question of investigation as it is of checking up on the responsibilities delegated to the committee. It is a responsibility of the committee to check into patent bills. That we have not been able to do. We shall have to hold hearings on the matter. It is well known how expensive hearings are when reporters are employed for the stenographic work. We are supposed to investigate the penitentiaries. Only \$5,000 is set aside for that purpose out of the \$25,000.

The PRESIDENT pro tempore. Is there objection to the consideration of Senate Resolution 120?

There being no objection, the resolution (S. Res. 120) was considered and agreed to, as follows:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized during the sessions, recesses, and adjourned periods of the Eightieth Congress to make such expenditures, and to employ upon a temporary basis such investigators, technical, clerical, and other assistants as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Committee of the Judiciary.

PUBLIC LANDS COMMITTEE HEARINGS

The resolution (S. Res. 148) authorizing the Committee on Public Lands to hold hearings at such times and places as it may deem advisable, was announced as next in order.

Mr. LUCAS. Mr. President, may we have an explanation of that resolution?

Mr. MAYBANK. Mr. President, I object.

Mr. BUTLER. It provides for the Committee on Public Lands holding hearings at such times and places as the committee may deem advisable. Statehood bills have been introduced with respect to Alaska, Hawaii, and Puerto Rico. It is the intention of the committee to send not the entire committee, but a delegation, to those places, in order to get the work of the committee out of the way before Congress again convenes. I can assure the Senator from Illinois that the Committee on Public Lands is not going out on a "snooping trip" to investigate either Republicans or Democrats. We are trying to do the work of the Committee on Public Lands.

Mr. LUCAS. The only point I raise is that it seems rather strange that all of a sudden the committee has to go to Alaska, Puerto Rico, and Hawaii because there are some public lands in those places. I do not know whether that has been the custom in the past, but apparently every one has an investigation fever, and wants to travel all over the country and the world to see something or do something. It may be a worthy enterprise. I am not sure. I am only making inquiry for my own information.

Mr. BUTLER. I can assure the Senator from Illinois that it is an entirely worthy enterprise. Of the 13 members of the committee I think only one wants to go to Alaska.

Mr. LUCAS. I can understand that everyone wants to go to Alaska who has not been there.

Mr. BUTLER. There are only four Members making the trip this summer.

The PRESIDENT pro tempore. Is there objection?

Mr. MAYBANK. I object.

The PRESIDENT pro tempore. Senate Resolution 148 will be passed over.

STUDY AND INQUIRY INTO TRENDS, NEEDS AND PROBLEMS OF AGRICULTURE.

The Senate proceeded to consider the resolution (S. Res. 147) authorizing a study of agricultural legislation and of trends, needs, and problems of agriculture.

Mr. LUCAS. Mr. President, I should like to have an explanation of the resolution. I was not present when the resolution was reported out of the Agriculture Committee.

Mr. THYE. Mr. President, this does not involve an investigation; it involves a study. I am sure that the distinguished Senator from Illinois, who is a member of the Committee on Agriculture and Forestry, fully appreciates the importance of this study. As the Steagall amendment expires within the year 1948 and the Commodity Credit Corporation also expires within that year, it will have to be reincorporated. Because of that, I feel—and I am sure the other members of the committee share that feeling—that there is need to give more thought and study to the entire agricultural program in order that we shall have the type of program that would be intelligent and acceptable to the public in general. That is the purpose of the study.

Mr. LUCAS. How much is involved?

Mr. THYE. Fifteen thousand dollars.

Mr. LUCAS. I ask that the resolution be temporarily passed over.

The PRESIDENT pro tempore. The resolution will be temporarily passed over.

Mr. BUTLER. Mr. President, a few moments ago when Senate resolution 767 was being discussed, the Senator from South Carolina [Mr. MAYBANK] objected. I have had a conversation with him, and I think it is the intention of the Senator from South Carolina to withdraw his objection at this time.

Mr. MAYBANK. I wish to draw my objection, because I have had a satisfactory explanation from the Senator.

Mr. LUCAS. I hope that it will be passed over for the moment.

Mr. BUTLER. I can assure the Senator from Illinois that the Committee on Public Lands is doing nothing but the work of the committee.

Mr. LUCAS. I understand that. That is the stock argument always given for investigations. I can understand perfectly well how the minority, when questions of this kind were up for discussion, made inquiries similar to those which the Senator from Illinois is mak-

ing. That is perfectly proper. I would like to know a little more about where the members of the committee are going, why they are going, what they are going to see, and what they are going to bring back with them.

Mr. BUTLER. Ten bills have been introduced, and there are hearings in connection with the Indian tribes, on the recommendation of the Department of the Interior. We have a hearing scheduled for Klamath Falls on August 18. It would be a little embarrassing if the members of the committee had to pay their own expenses on these trips.

Mr. LUCAS. I am sure it would be embarrassing if I had to pay my expenses on one of those trips, because I could not do it. I do not know why it is necessary.

Mr. BUTLER. Mr. President, I should like to remind the Senator from Illinois that in the previous Congress I have heard him ask, when he was standing where he now stands, for as much as \$100,000 at one time, and there was never a peep from the then minority side.

Mr. LUCAS. Mr. President, I heard plenty of objections from what was the minority side, when I was chairman of the former Committee to Audit and Control the Contingent Expenses of the Senate. It was rather difficult for the Senator from Illinois to have action taken on any measures of this sort when he was chairman of that committee, without having objections made by Senators on the other side of the aisle.

The PRESIDENT pro tempore. Let us see if we can proceed in order.

Mr. LUCAS. Mr. President, I object.

The PRESIDENT pro tempore. Objection being heard, the resolution will be passed over.

The clerk will state the next measure on the calendar.

INVESTIGATION OF THE HOUSING FIELD

The concurrent resolution (S. Con. Res. 25) establishing a joint committee to investigate the entire housing field was announced as next in order.

Mr. LUCAS. Mr. President, I should like to have an explanation of that measure.

Mr. MCCARTHY. Mr. President, this is a concurrent resolution sponsored by the Senator from Alabama [Mr. SPARKMAN], the Senator from West Virginia [Mr. REVERCOMB], and the junior Senator from Wisconsin. It has received unanimous approval not only by the Banking and Currency Committee, but also by the Committee on Rules and Administration.

A companion measure was passed by the House of Representatives yesterday.

The purpose of the investigation is obvious from the title of the concurrent resolution. It is to conduct an investigation of the housing situation from A to Z, and to recommend at the next session of the Congress legislation to correct the situation, if possible.

The PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

Mr. LUCAS. Mr. President, reserving the right to object—

Mr. TAFT. Mr. President, let me say to the Senator that we have consulted with the House leaders on the two sub-

places during the sessions, recesses, and adjourned periods of the Senate in the Eightieth Congress, to employ such experts, and such clerical, stenographic, and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

INVESTIGATION OF HIGH PRICES

The concurrent resolution (S. Con. Res. 19) to establish a joint committee to investigate high prices of consumer goods was announced as next in order.

Mr. TAYLOR. Mr. President, this resolution reaches the ultimate in ridiculousness. We all know why prices are high. We have high prices because the distinguished senior Senator from Ohio [Mr. TAFT] and the distinguished junior Senator from Nebraska [Mr. WHERRY] tried to outdo each other in seeing who could scuttle most of the OPA the quickest. So what is the use of investigating unless we investigate the Senator from Ohio and the Senator from Nebraska, and why they did it? Of course we are going to have high prices when such things happen.

Mr. President, this business of investigating is getting to be a racket. In fact, it has gone to such lengths that a song has been written about it, whose title is, "Who's Going To Investigate the Man That Investigates the Man That Investigates Me?"

We have committees to investigate everything under the sun. Practically every Senator on the other side of the aisle has a private committee. I have been in the Senate several years and I have never had a committee.

Mr. President, we have a Small Business Committee—they are all small business; we have war investigating committees. What do they investigate? They investigate Howard Hughes' bathing beauties. They can find nothing better than that to investigate, because that gets in the newspapers through pictures of bathing beauties. We have committees for this and that. Some of them make a Roman holiday out of assassinating the characters of innocent and guilty alike. For instance, some investigating committees said that a gentleman by the name of Bernstein had been in the Army and said he was kicked out. He had to get a general to write him a recommendation and say that he was not kicked out, but he will never be able to prove satisfactorily that he was not kicked out. He was an honorable serviceman.

Dr. Oppenheimer, one of the finest of atomic scientists, who helped perfect the atomic bomb, found his brother accused of being a Communist. This "Red" does not rub off very easily these days, so Oppenheimer is contaminated, although his brother denied it. The more one denies the more he is suspected. I found that out, so I do not deny things any more.

There is Dr. Condon, of the Bureau of

Standards. I understand the committee said they were going to subpoena him to come and testify before them, but they had never even asked him to come and testify. However, they were going to subpoena him and make it look as if he would not testify, without his ever having been asked.

Lo and behold, a few days ago we confirmed Secretary Royall the next head man in the War Department. And what do we find out? We find that his brother-in-law, the man who married his half-sister, is Johann Steele, suspected of being a Communist. So Secretary Royall is in some difficulty. He said he did not pay much attention to his brother-in-law, and they wanted to know why he did not, what kind of a man he was that he did not hold his brother-in-law to his bosom and love him.

So, Mr. President, you are damned if you do and damned if you do not. [Laughter.]

I understand that in the State Department, in their loyalty investigation, they asked these two questions, among others:

"Were you in favor of the Taft-Hartley bill?"

"Were you in favor of tax reduction?"

Mr. President, that is a good one. I should like to know what that has to do with anyone's loyalty.

The PRESIDENT pro tempore. The Senator's time has expired.

Mr. TAFT. Mr. President, I find there is an omission in this concurrent resolution 770, on page 6, line 2, before the period, where there should be inserted the language "take the action prescribed in section 2 hereof."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. Without objection—

Mr. TAYLOR. I object.

Mr. BALDWIN. Mr. President, will the Senator withdraw his objection while I make a brief statement with reference to this bill?

Mr. TAYLOR. Certainly. I shall be happy to show that courtesy to the Senator.

The PRESIDENT pro tempore. The Senator is recognized for 5 minutes.

Mr. BALDWIN. Mr. President, this bill, which was originally introduced by me in the form of a resolution, called for a special committee, but in order to avoid the difficulty of running into the problem of creating a new committee and of duplicating another committee, we finally amended the resolution and made this committee a subcommittee of the Joint Committee on the Economic Report.

I might say, Mr. President, that I hold in my hand a series of petitions which were presented to me by representatives of the following organizations: The American Veterans' Committee, the CIO, the CIO auxiliaries, the National Council of Jewish Women, the League of Women Shoppers, the Committee for Social Action of the Congregational Churches, the National Women's Trade Union League, and the National Association for Colored People, as well as the

Americans for Democratic Action. Mr. President, there is no subject in the minds of the people of the United States that is more important than this, and there is no way that the Congress can better get the facts than to have a bipartisan impartial investigation of consumer prices. I ask the Senator from Idaho if he will not withhold his objection, so that this committee can be formed and be put to work.

Mr. TAYLOR. No, Mr. President. I refuse to withhold my objection. I cannot see any justification for this committee whatever. High prices are here. There is nothing that can be done about it. They cannot be rolled back. They came because the OPA was scuttled. The Republicans are responsible. I object. [Laughter.]

Mr. BALDWIN. I will leave the subject with one question: Does the Senator from Idaho want to accept the responsibility for standing in the way of action by this Congress to find out the basis and reason and cause of high prices?

Mr. TAYLOR. No; no. The Senator from Ohio [Mr. TAFT] and the Senator from Nebraska [Mr. WHERRY] are responsible for that.

The PRESIDENT pro tempore. The resolution will be passed over.

Mr. BALDWIN. Mr. President, I ask unanimous consent to insert in the RECORD at this point certain remarks I had intended to make at great length, but which I did not make, because I did not want to take the time.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RAYMOND E. BALDWIN RE SENATE CONCURRENT RESOLUTION 19

Though I do not believe it necessary to provide any statistical demonstration either of the fact that prices of consumer goods in this country are dangerously high or of the fact that our people are deeply concerned about that grave problem, I would like to call the Senate's attention to the following facts. According to Bureau of Labor statistics, food prices—as of April this year—are 93 percent higher than in January 1941, and one-third higher than a year ago. Clothing prices are 82 percent higher than in 1941 and 20 percent higher than a year ago. Public opinion polls have demonstrated consistently over the past year that our people are more concerned about high prices than about any other single domestic issue.

Unfortunately, these high prices are not limited to luxuries or unessential goods. The necessities of living—bread, meat, clothing, housing—cost more than our people can well afford to pay.

This is no time for political recriminations, nor is it any time to try to place blame. The hour is late and the disturbing facts remain. It is up to us, as a Congress representing the people of this country, to demonstrate our recognition of this condition.

There are those who have said that high wages are the sole cause of the present high prices, though statistics would not seem to bear that out. There are those who have said that the shipment of goods to Europe and Government buying is the sole cause of high prices. Statistics would not seem to bear that out, but, if that is true, let us at least demonstrate to our people the choice they have. There are those who claim natural shortages are causing high prices. There

are those who claim that artificial shortages are causing high prices. There are those who claim that exorbitant profits are causing high prices. Whatever the causes, let us find out and inform our people fully.

Beyond all of these reasons, or alleged reasons, for high prices, I believe this country is now suffering from a high-price psychology. Those who sell goods have come to believe, with some justification, that buyers will pay—and can pay—almost any price. We have almost come to accept exorbitantly high prices as a vicious but unchangeable evil. This high-price psychology has a spiraling effect. For the sake of preserving a sound national economy, for the sake of our people who are bearing the heavy burden, we must discourage that kind of thinking.

The proposed resolution directs the Joint Committee on the Economic Report to make a study of high prices at the consumer level. This investigation would serve at least three useful purposes. First, it would demonstrate to our people that we, as a Congress, are not unaware of their serious concern and that we propose to do whatever we can to relieve them of the burden of high prices. Second, such an investigation could be expected to uncover reasons that should lead to action on the part of our people or our Government—if necessary—to bring about a downward trend in prices. Third, such an investigation would serve the policing purpose of bringing down prices, in cases where exorbitant profits might exist, by turning on a spotlight of public information.

This resolution calls for the establishment of two or more subcommittees of the Joint Committee on the Economic Report. The subcommittees would be made up of Members of the House and the Senate and of both parties. It is my hope that three or four such subcommittees would operate more or less autonomously in various sections of the country for the purpose of hearing the story of high prices from the people themselves. These subcommittees, I believe, should act as a forum before which our worried people could appear. It should be their purpose to trace down the cost of necessities from their production to the consumer in order to determine fairly and openly what is causing these exorbitant prices. We are, as a body, sufficiently equipped in the field of theoretical economic studies—which have so far produced no solution or relief—and no information on prices intelligible to the housewife trying to meet a household food budget. I envisage this investigation not as a study of statistical tables, but as a study of human relationships, a study in which our people can take part in solving a common problem.

In our democracy, we believe in a free enterprise system. We do not want to return to the days of shortages and black markets. It is, therefore, up to us on both sides of the aisle to do all in our power to make this free economy work. I cannot express too strongly, my deep conviction that this Congress must, before its adjournment, make a practical move which will have as its purpose to reduce prices on consumer goods, not from a study of the advanced theory of economics, but from a study of the price of a loaf of bread. It we should adjourn this session of Congress without having demonstrated to our people our concern for their major domestic worry, we would have served them poorly indeed.

This resolution will, in my estimation, help to reduce the price of consumer goods to the point our people can afford to buy them in the quantities they need and in the quantities that makes possible large production and wide employment. I sincerely hope that Senators on both sides of the aisle will join in this common effort to solve a critical domestic worry.

RESOLUTION PASSED OVER

Mr. AIKEN. Mr. President, I ask unanimous consent to revert to Calendar 768, Senate Resolution 147, which was objected to temporarily by the senior Senator from Illinois.

The PRESIDENT pro tempore. The Senator from Vermont asks unanimous consent to revert to Calendar 768, Senate Resolution 147. The Clerk will state the resolution.

The LEGISLATIVE CLERK. A resolution (S. Res. 147) authorizing a study of agricultural legislation and of trends, needs, and problems of agriculture.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. AIKEN. The Senator from Illinois advises me that he withdraws his objection.

Mr. McCLELLAN. Mr. President, reserving the right to object, have we reached Order No. 772, House bill 1826?

The PRESIDENT pro tempore. The next order on the calendar is 771, House bill 452, when we get to it.

Mr. McCLELLAN. Have we reached Order No. 773, House bill 4110?

Mr. AIKEN. No; not as yet.

Mr. McCLELLAN. I should like to ask whether that bill and Senate Resolution 147 are the same. Are they going to overlap?

Mr. AIKEN. We have reverted to Calendar No. 768, Senate resolution 147.

Mr. McCLELLAN. The resolution proposes to authorize "a study of agricultural legislation and of trends, needs, and problems of agriculture." The one I refer to is a little further down on the calendar. It is House bill 4110, to amend title I of the act entitled "An act to provide for research into basic laws and principles relating to agriculture." Now, what is the relationship?

Mr. AIKEN. Mr. President, I would be very glad to explain that when we get to it. It is designed to correct a mistake which was made last year. The calendar number which I asked to revert was 768, Senate resolution 147. It was objected to temporarily by the Senator from Illinois [Mr. LUCAS], who has withdrawn his objection. It is proposed to provide a modest sum for the most important purpose, I think, of any of the resolutions.

The PRESIDENT pro tempore. Is there objection?

Mr. McCLELLAN. Just one moment, Mr. President. The Senator says "a most modest sum, for a most important objective"?

Mr. AIKEN. Objective, not objection.

Mr. McCLELLAN. It might take more than a most modest sum.

Mr. AIKEN. That is correct.

Mr. McCLELLAN. It may take more than that, if the purpose of the Commission is all-important. But does it conflict directly with House bill 4110?

Mr. AIKEN. No. I shall be glad to explain House bill 4110 when we reach it.

Mr. McCLELLAN. I do not want to wait that long, and to pass this over in the meantime. I want to know now. Where is the conflict? Is there an overlapping? That is what I want to know, now.

Mr. AIKEN. No. There is no connection between the resolution and the bill.

The PRESIDENT pro tempore. Is there objection?

Mr. McCLELLAN. Mr. President, just a moment. The Senator says there is no relationship?

Mr. AIKEN. There is no connection whatever. When we passed the agriculture research bill last year, it contained a proviso in it that 20 percent of the amount authorized must be spent for marketing research. What we meant to say was 20 percent of the amount appropriated, and the bill, in which the Senator is interested, H. R. 4110, seeks to correct that, so that 20 percent of the amount appropriated will be spent for marketing research instead of 20 percent of the amount authorized, because the amount appropriated is considerably less I believe than the amount authorized, and therefore an inordinate amount would be spent for marketing research, unless the correction in the law is made. The purpose is simply to correct a mistake which Congress made last year.

Mr. McCLELLAN. Then H. R. 4110 is simply a technical correction of the existing law?

Mr. AIKEN. That is correct; that is its purpose.

Mr. McCLELLAN. And what is the purpose of Order No. 768, Senate Resolution 147?

Mr. AIKEN. That is a request for \$15,000 for the Senate Agriculture Committee, to use in working out a long-range agricultural program, to take effect when the provisions of the Steagall amendment expires on December 31 next year.

Mr. McCLELLAN. Mr. President, I am very glad to have that explanation. I merely wanted to determine, if possible, that we are not duplicating effort.

Mr. AIKEN. We are not.

The PRESIDENT pro tempore. Is there objection?

Mr. TAYLOR. Mr. President, I object to this Agricultural Committee. Is that what it is?

The PRESIDENT pro tempore. This is Order No. 768, Senate Resolution 147.

Mr. TAYLOR. Yes, authorizing a study of the problems of agriculture. What is the use of studying the problems of agriculture, with a Republican Congress? That is what we want to know. What is the matter? What are agriculture's needs? They need REA. Yes, they need REA. What did the Republican Congress do? They cut the appropriations for REA. The farmers need fertilizer, and they are unable to get much of it. They need reclamation programs, so the GI's will be reclaiming farm lands, and those that are on the lands will have more water. Those appropriations have been cut.

One may go down the line with respect to practically everything that agriculture needs—and we all know what it needs—and find that the appropriations have been cut. So why investigate? The answer is plain: What agriculture needs, Mr. President, is a Democratic administration. [Laughter.]

The PRESIDENT pro tempore. The Senator objects, and the resolution is passed over.

Mr. TAFT. Mr. President, will the Senator yield? Did the Senator object?

Mr. TAYLOR. I had not finished speaking. I have 5 minutes, have I not?

The PRESIDENT pro tempore. The Senator's 5 minutes, if he hurries, still remains to him, to the extent of 2 minutes.

Mr. TAYLOR. I shall take 5 minutes on the next one.

The PRESIDENT pro tempore. Is there objection? The Chair hears one.

Mr. TAYLOR. I object.

The PRESIDENT pro tempore. The Senator objects. The resolution will be passed over.

Mr. TAFT. Mr. President, since there seems to be a good deal of politics injected into the proceedings at a late hour tonight, it seems to me we would gain time by recessing until tomorrow morning.

Mr. BARKLEY. Will the Senator withhold his motion for a moment?

Mr. TAFT. Yes.

Mr. BARKLEY. There is a small Executive Calendar. Perhaps we can dispose of the nominations on the calendar before we recess.

Mr. TAFT. Mr. President, I would object to taking up the Executive Calendar now.

RECESS

Mr. WHITE. Mr. President, in view of the lateness of the hour and the certainty that we could not conclude the bills on the calendar for some substantial time, I now move that the Senate stand in recess until 12 o'clock noon today.

The motion was agreed to; and (at 12 o'clock and 20 minutes a. m. Saturday, July 26, 1947) the Senate took a recess until 12 o'clock meridian the same day.

NOMINATIONS

Executive nominations received by the Senate July 25 (legislative day of July 16), 1947:

APPOINTMENTS IN THE OFFICERS' RESERVE CORPS OF THE ARMY OF THE UNITED STATES

To be major generals

Maj. Gen. Edward Sedley Bres (colonel, Corps of Engineers Reserve), Army of the United States.

Maj. Gen. Harry Hawkins Vaughan (lieutenant colonel, Field Artillery Reserve), Army of the United States.

To be brigadier generals

Brig. Gen. Andrew Frank McIntyre (lieutenant colonel, Corps of Engineers Reserve), Army of the United States.

Col. Benjamin Franklin Riter, Judge Advocate General's Department Reserve, Army of the United States.

Brig. Gen. Herbert Norman Schwarzkopf (lieutenant colonel, Infantry, National Guard of the United States), Army of the United States.

HONORARY RESERVE

To be brigadier generals

Brig. Gen. Carlton Spencer Dargusch (lieutenant colonel, Judge Advocate General's Department, National Guard of the United States), Army of the United States.

Col. John Thomas Taylor, Chemical Corps Reserve, Army of the United States.

IN THE NAVY

Midshipman John C. Shannon (Naval Academy) to be an assistant paymaster in the Navy with the rank of ensign, from the 6th day of June 1947, in lieu of appointment as ensign in the Navy as previously nominated and confirmed.

The following-named (Naval ROTC) to be ensigns in the Navy from the 6th day of June 1947:

Charles R. Mischke
Charles B. Teal

Jerry W. Bates (Naval ROTC) to be an ensign in the Navy, from the 6th day of June 1947, in lieu of assistant paymaster in the Navy with the rank of ensign as previously nominated and confirmed.

The following-named (civilian college graduates) to be assistant civil engineers in the Navy with the rank of ensign:

Robert C. Doerpinghaus
William E. Nims

53. PEANUT QUOTAS. Passed without amendment H. R. 4124, to make various changes in the peanut-quota provisions under the Agricultural Adjustment Act of 1938 (p. 10464). This bill will now be sent to the President.
54. RESEARCH, MARKETING. Passed without amendment H. R. 4110, regarding distribution of appropriations, rather than authorizations, under the Research and Marketing Act of 1946 (p. 10464). This bill will now be sent to the President.
55. AGRICULTURAL STUDIES. Agreed, as reported, to S. Res. 147, to authorize the Agriculture and Forestry Committee to investigate needs, trends, etc., of agriculture (pp. 10479-80).
56. REMOUNT SERVICE. Sen. Morse, Oreg., inserted a statement favoring H. R. 3484, to transfer the Remount Service to the Agriculture Department, and said he would support its passage at the next session (pp. 10635-7).
57. FCA AUDIT. Received the GAO audit report on FCA corporations; to Expenditures in the Executive Departments Committee (p. 10456).
58. TRANSPORTATION. Sen. Reed, Kans., discussed "the cotton belt case" regarding transportation and said this was "unequal justice under law" (pp. 10511-13).
59. MISSOURI VALLEY AUTHORITY. Sen. Revercomb, W. Va., reviewed the accomplishments to date in carrying out the objectives of S. 1156, to establish an MVA (pp. 10519-20).
- Both Houses
60. PRICE INVESTIGATION. /agreed, without amendment, to S. Con. Res. 19, to provide for an investigation of the reasons for high prices by the Joint Committee on the Economic Report (pp. 10468-9, 10476-7, 10560).
61. MINERALS. Passed without amendment H. R. 1602, to continue authority for RFC subsidies on minerals (pp. 10480, 10520-2, 10605-8). This bill will now be sent to the President.
62. SMALL BUSINESS. Agreed, with amendment, to S. Res. 153, to provide \$50,000 additional for investigations by the Small Business Committee (pp. 10461-3). Sen. Fulbright, Ark., inserted a statement regarding the newsprint situation (pp. 10461-3).
63. LATIN AMERICA. Passed without amendment H. R. 4168, to provide for reincorporation of the Institute of Inter-American Affairs (pp. 10461). This bill will now be sent to the President.
64. PERSONNEL RETIREMENT. Sens. Langer, N. Dak., and Maybank, S. C., spoke in favor of H. R. 4127, the omnibus civil-service retirement bill (pp. 10467, 10517).
65. FOREIGN INFORMATION. Passed without amendment S. Con. Res. 29, providing for a Joint Committee on Government Information Programs to investigate activities of the State Department and other Government agencies to acquaint peoples of foreign countries with the U. S., its people and their activities, and the policies and objectives of its Government (pp. 10469-70, 10475-6).
66. SURPLUS PROPERTY. Passed as reported S. 1302, to authorize WAA to donate surplus property to organizations for athletic and sports programs (p. 10471).
67. CLAIMS. Passed as reported H. R. 3690, to amend the Federal Tort Claims Act

regarding death statutes and decisions in Ala. and Mass. (p. 10472). The House later concurred in the amendments (pp. 10558-9). This bill will now be sent to the President.

68. RURAL ELECTRIFICATION. Sen. Langer, N. Dak., inserted a "letter to the farmers" criticizing cuts in the REA estimates (p. 10500).

HOUSE - July 26

69. WOOL-PRICE SUPPORTS. Passed without amendment S. 1498, to provide for price supports on wool (pp. 10529-39). This bill will now be sent to the President. Rejected an amendment by Rep. Herter, Mass., to provide for support at 90% of parity rather than the 1946 level (p. 10537). Rejected, 64-228, a motion by Rep. Herter to recommit the bill with instructions to insert this amendment (p. 10539).
70. GARBAGE IMPORTATION. Concurred in the Senate amendments to H. R. 597, to regulate the importation and depositing of garbage (pp. 10581, 10458). This bill will now be sent to the President.
71. FARM TRAINING. Concurred in the Senate amendments to H. R. 2181, to liberalize the farm-training provisions of the Servicemen's Readjustment Act (p. 10551). This bill will now be sent to the President.
72. HOUSING INVESTIGATION. Refused to concur in the Senate amendment to H. Con. Res. 104, providing for a joint investigation of housing (p. 10550). Later the Senate receded from its amendment (p. 10501).
73. AUDITS. Agreed, without amendment, to H. Res. 352, providing for the printing of GAO audit reports as H. documents during recess (p. 10597).
74. WAR DEPARTMENT CIVIL APPROPRIATION BILL. Both Houses agreed to the conference report on H. R. 4002 (pp. 10560-8, 10631-5). This bill will now be sent to the President. During debate on this conference report, Sen. Taylor, Idaho, discussed his previous statements, and statements by the Forest Service, regarding depletion of forest resources (pp. 10634-5).
75. APPROPRIATIONS. Rep. Dirksen, Ill., commended the efforts of Chairman Taber of the Appropriations Committee regarding appropriation matters (p. 10585).
76. AGRICULTURE COMMITTEE. Rep. Gross, Pa., reviewed accomplishments of this Committee (p. 10586).

76a.

ADJOURNMENT, ETC.

Both Houses agreed to adjourn until Jan. 2, 1948, or 3 days after being recalled by the President pro tem of the Senate, the Speaker of the House, and the 2 majority leaders, acting jointly. Both Houses also passed without amendment S. J. Res. 156, to provide that the second regular session of the 80th Congress begin Jan. 6, 1948. (pp. 10599, 10601, 10642-3, 10649.) The Senate was still in session July 27 when the Congressional Record went to press, and its continued proceedings will be included in the next issue of the Record. The Joint Committee on Printing announced that the last issue of the Congressional Record for the first session will be printed not later than Aug. 15, 1947 (p. 10455).

Bills upon which final action was not completed, retain their present status at the beginning of the next session and do not need to be re-introduced.

S. RES. 147

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JULY 10), 1947

Mr. THYE (for himself, Mr. AIKEN, and Mr. YOUNG) submitted the following resolution; which was referred to the Committee on Agriculture and Forestry

JULY 16, 1947

Reported by Mr. CAPPER, with amendments, and referred to the Committee on Rules and Administration

JULY 24 (legislative day, JULY 16), 1947

Reported by Mr. BROOKS, with an additional amendment

[Omit the part struck through and insert the part printed in italic]

JULY 26 (legislative day, JULY 16), 1947

Considered, amended, and agreed to

RESOLUTION

1 *Resolved*, That the Committee on Agriculture and For-
2 estry, or any duly authorized subcommittees thereof, is
3 authorized and directed to make a study and inquiry into the
4 trends, needs and problems of agriculture in the United
5 States, Territories and possessions.

6 SEC. 2. The committee shall report to the Senate at
7 the earliest practicable date the results of its study, together
8 with such recommendations as it may deem desirable.

9 SEC. 3. For the purposes of this resolution, the com-
10 mittee, or any duly authorized subcommittee thereof, is
11 authorized during the sessions, recesses, and adjourned periods

1 of the Eightieth Congress to employ upon a temporary basis
 2 such technical, clerical, and other assistants as it deems
 3 advisable. The expenses of the committee under this reso-
 4 lution, which shall not exceed \$15,000, shall be paid from
 5 the contingent fund of the Senate upon vouchers approved
 6 by the chairman of the committee.

80TH CONGRESS
1ST Session

S. RES. 147

RESOLUTION

Authorizing a study of agricultural legislation,
and of trends, needs, and problems of agri-
culture.

By Mr. THYE, Mr. AIKEN, and Mr. YOUNG

JULY 11 (legislative day, JULY 10), 1947

Referred to the Committee on Agriculture and Forestry

JULY 16, 1947

Reported with amendments and referred to the
Committee on Rules and Administration

JULY 24 (legislative day, JULY 16), 1947

Reported with an additional amendment

JULY 26 (legislative day, JULY 16), 1947

Considered, amended, and agreed to

Mr. AIKEN. I ask unanimous consent for the present consideration of the report?

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrel, its enrolling clerk, announced the House had passed, without amendment, the bill (S. 1498) to provide support for wool and for other purposes.

The message also announced that the House had passed the bill (S. 907) to provide for the orderly transaction of the public business in the event of the death, resignation, or separation from office of regional disbursing officers of the Treasury Department, with an amendment, in which it requested the concurrence of the Senate.

STUDY OF AGRICULTURAL LEGISLATION

Mr. THYE. Mr. President, I ask unanimous consent to revert to Calendar No. 768, Senate Resolution 147, which pertains to the study committee on agricultural and forestry questions.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 147) authorizing a study of agricultural legislation and of trends, needs, and problems of agriculture, which had been reported from the Committee on Rules and Administration, with an amendment.

Mr. OVERTON. Mr. President, may I ask whether this resolution requires the expenditure of any money?

Mr. THYE. It requires the expenditure of \$15,000. It was objected to by the senior Senator from Oregon [Mr. CORDON] last night, but he has withdrawn his objection.

Mr. OVERTON. I do not see how agriculture would be advanced by a further investigation. There have been agricultural problems ever since I have been a Member of the Senate and for many years before that.

Mr. THYE. The Steagall amendment contains the mechanics of the support price, and it will expire in 1948. Likewise, the Farm Credit Corporation will expire. Because of that, it is necessary that a study be made of the type of program which will be needed after December 31, 1948. That is the purpose of the study committee.

Mr. OVERTON. Is it a joint committee, or will the investigation be conducted by the Committee on Agriculture and Forestry?

Mr. THYE. It will be conducted by a part of the Senate Committee on Agriculture and Forestry. It will work during the recess period in order to present a program at the next session of Congress. It has the unanimous support of the Committee on Agriculture.

Mr. OVERTON. Who appoints the subcommittee?

Mr. THYE. I presume it will be appointed by the chairman and the President of the Senate.

Mr. WHERRY. Mr. President, if the Senator will yield, let me say that this measure also comes from the Committee on Rules and Administration, after rather exhaustive hearings on it, with the committee's entire approval, because it is a subcommittee of a standing committee, and we felt that it should make some study of the program to be adopted following the termination of the Steagall Support Act.

Mr. BARKLEY. Mr. President, I should like to make an observation.

Mr. OVERTON. I yield.

Mr. BARKLEY. The standing committees have authority to conduct investigations of matters under their jurisdiction, during a recess of the Congress, without any specific authorization because of the recess. Probably the only additional thing that would be needed would be some additional funds. The general authority of the committee is sufficient to authorize the committee to investigate matters under their jurisdiction, during the recess. If the committee needs additional funds in order to make an investigation of agricultural conditions, in addition to its regular appropriation for clerk hire and its regular work, I have no doubt that the Senate would concur in a proposal for such an increase in funds.

But it really is not necessary to secure special authority from the Senate to enable the Committee on Agriculture or any other committee to carry on its work during the recess of the Congress.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. OVERTON. I object.

The PRESIDENT pro tempore. The Senator from Louisiana objects. The resolution goes over.

AMERICAN INDIAN DAY

Mr. BUSHFIELD. Mr. President, I ask unanimous consent that we may revert to Calendar No. 183, Senate bill 309.

The PRESIDENT pro tempore. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 309) designating American Indian Day.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. REED. Over.

The PRESIDENT pro tempore. Objection is made, and the bill goes over.

EXPORT OF GASOLINE AND PETROLEUM PRODUCTS TO FOREIGN COUNTRIES

Mr. CAPEHART. Mr. President, I ask that we revert to Order No. 733, Senate bill 1653. A House bill, Calendar No. 732, House bill 4042, is similar, and it is to be substituted for the Senate bill.

The PRESIDENT pro tempore. The Senator from Indiana has asked unanimous consent that the Senate revert to the consideration of Calendar No. 733,

Senate bill 1653, which will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1653) to control the export to foreign countries of gasoline and petroleum products from the United States.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. COOPER. I object.

The PRESIDENT pro tempore. The bill goes over, under objection.

PROMOTION AND ELIMINATION OF OFFICERS OF THE ARMY, NAVY, AND MARINE CORPS

Mr. BALDWIN. Mr. President, the Armed Services Committee has reported to the Senate several bills which are on the calendar, and which I should like to have an opportunity on behalf of the committee to call up.

The first one is Calendar 637, House bill 3830, popularly known as the promotion bill. Would it be in order to take it up at this time?

The PRESIDENT pro tempore. The Senator may make such a request.

Mr. BALDWIN. I make that request.

The PRESIDENT pro tempore. The Senator from Connecticut has asked unanimous consent that the Senate revert to Calendar No. 637, House bill 3830, which will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3830) to provide for the promotion and elimination of officers of the Army, Navy, and Marine Corps, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. CONNALLY. I wish to know something about the bill.

Mr. BALDWIN. Mr. President, it is my purpose to explain this bill fully. Would I be limited to 5 minutes, under the 5-minute rule, or might I obtain unanimous consent to proceed for a longer period of time?

The PRESIDENT pro tempore. The Senator is limited to 5 minutes, under the rule, unless he can obtain unanimous consent to the contrary.

Mr. BALDWIN. Mr. President, I request such unanimous consent.

Mr. CONNALLY. Mr. President, if the bill cannot be explained in 5 minutes, it should not be considered at this time, during the call of the calendar, under the 5-minute rule.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. CONNALLY. I object.

The PRESIDENT pro tempore. Objection being made, the bill goes over.

PROCUREMENT OF SUPPLIES AND SERVICES BY THE WAR AND NAVY DEPARTMENTS

Mr. BALDWIN. Mr. President, I now ask for the present consideration of Calendar No. 597, House bill 1366, the Army and Navy procurement bill. Let me state that I cannot explain the bill in 5 minutes. I am perfectly willing to defer

my request for consideration of the bill until matters on the calendar which can be acted on in a short length of time are disposed of, provided that we have an opportunity to present these bills. They are extremely important, as pertaining to the national defense, and they should be passed at this session of the Congress. Both of the bills I have mentioned have already been passed by the House of Representatives.

The **PRESIDENT pro tempore**. Is the Senator from Connecticut requesting consent for the present consideration of Calendar No. 597, House bill 1366?

Mr. **BALDWIN**. I am.

The **PRESIDENT pro tempore**. The bill will be stated by title, for the information of the Senate.

The **CHIEF CLERK**. A bill (H. R. 1366) to facilitate procurement of supplies and services by the War and Navy Departments, and for other purposes.

The **PRESIDENT pro tempore**. Is there objection?

Mr. **AIKEN**. Mr. President, I have no objection to having this measure acted upon, but I wish to have a little more than 5 minutes' time to speak on it. This bill gives the Army and the Navy certain privileges in connection with procurement which are denied to the Federal Supply Bureau and to other extremely important and necessary agencies of the Government, and I should like to explain that matter. It will take more than 5 minutes to do so. I hope the bill will come up later in the day.

The **PRESIDENT pro tempore**. Under objection, the bill goes over.

AMENDMENT OF ORGANIC ACT OF PUERTO RICO

Mr. **CHAVEZ**. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Order of Business 434, House bill 3309, to amend the Organic Act of Puerto Rico.

The **PRESIDENT pro tempore**. Is there objection?

Mr. **TAFT**. I object.

The **PRESIDENT pro tempore**. The bill goes over under objection.

PROMOTION AND ELIMINATION OF CERTAIN OFFICERS OF THE ARMED SERVICES

Mr. **GURNEY**. Mr. President, I renew the request that the Senate proceed to consider Order of Business 637, House bill 3830, to provide for the promotion and elimination of officers of the Army, Navy, and Marine Corps, and for other purposes. I have talked with the senior Senator from Texas [Mr. **CONNALLY**], and he has agreed to withdraw his objection until we can have an explanation of the bill by the Senator from Connecticut.

The **PRESIDENT pro tempore**. Is there objection?

Mr. **CHAVEZ**. I object.

The **PRESIDENT pro tempore**. The Senator from New Mexico objects.

EXPLORATION, DEVELOPMENT, AND PRODUCTION OF DOMESTIC MINES

Mr. **MILLIKIN**. Mr. President, I ask unanimous consent to return to Calendar No. 746, House bill 1602, to stimulate exploration, development, and production from domestic mines by private en-

terprise, and for other purposes, and I ask the attention of the distinguished senior Senator from Ohio.

In a moment I shall make objection to the immediate consideration of the bill, on behalf of the junior Senator from Ohio [Mr. **BRICKER**], who is absent from the Chamber, and who would object, but I should like to ask the senior Senator from Ohio what the plan is for the consideration of this important measure.

Mr. **TAFT**. Mr. President, this is a bill relating to the proposed premium payments for copper, lead, and zinc, which I think should follow the measures which have priority at the moment. Those measures are the so-called Revercomb resolution and the last appropriation bill to be taken up, which will be taken up as soon as the call of the calendar is completed.

Mr. **MILLIKIN**. On behalf of the junior Senator from Ohio [Mr. **BRICKER**], I object to the immediate consideration of the bill.

The **PRESIDENT pro tempore**. Objection is heard, and the bill will be passed over.

AUTHORIZATION FOR STUDY OF AGRICULTURAL LEGISLATION AND PROBLEMS OF AGRICULTURE

The **PRESIDENT pro tempore**. The Chair is advised that the Senator from Louisiana has withdrawn his objection to the consideration of Calendar No. 768, Senate Resolution 147.

Mr. **THYE**. Mr. President, I ask unanimous consent that the Senate revert to the resolution and adopt it.

There being no objection, the Senate proceeded to consider the resolution (S. Res. 147) authorizing a study of agricultural legislation and of trends, needs, and problems of agriculture, which had been reported from the Committee on Rules and Administration, with amendments, on page 1, to strike out lines 1 to 5, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereto, is authorized and directed to make a study and inquiry into existing and pending agricultural legislation and of the trends, needs, and problems of agriculture in the United States.

And to insert:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittees thereof, is authorized and directed to make a study and inquiry into the trends, needs, and problems of agriculture in the United States, Territories, and possessions.

On page 2, line 6, after the word "authorized", to insert "during the sessions, recesses, and adjourned periods of the Eightieth Congress"; and on line 10, after the word "exceeds", to insert "\$15,000", so as to make the resolution read:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittees thereof, is authorized and directed to make a study and inquiry into the trends, needs, and problems of agriculture in the United States, Territories, and possessions.

SEC. 2. The committee shall report to the Senate at the earliest practicable date the results of its study, together with such recommendations as it may deem desirable.

SEC. 3. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized during the sessions, recesses, and adjourned periods of the Eightieth Congress to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed \$15,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The resolution, as amended, was agreed to.

The **PRESIDENT pro tempore**. That concludes the call of the calendar.

SECOND SUPPLEMENTAL APPROPRIATION BILL

Mr. **TAFT**. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of House bill 4347, making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, the last appropriation bill to be considered.

Mr. **REVERCOMB**. Mr. President, reserving the right to object, it is my understanding that the order was last evening that we would take up Senate resolution 137, and after proceeding an hour with it the calendar would be called, and that upon the conclusion of the call of the calendar the Senate would again proceed with the consideration of Senate Resolution 137. That was an order made at that time, an order which I feel should be followed.

Mr. **TAFT**. I do not think that was quite the order, but if it was, it is all subject to the condition to which every agreement is subject, that when appropriation bills come before the Senate they shall be immediately dealt with. I agree that as soon as the supplemental appropriation bill has been disposed of, we will return to the consideration of the resolution of the Senator from West Virginia.

Mr. **BALDWIN**. Mr. President, if the supplemental appropriation bill shall be considered, will there be another opportunity to take up other matters on the calendar?

The **PRESIDENT pro tempore**. The Chair is unable to respond to the Senator.

Mr. **TAFT**. It is not the intention to return to the calendar at any time, and the measures to be taken up must be taken up either by unanimous consent, or, if the Kem resolution is not before the Senate, by motion.

Mr. **REVERCOMB**. Mr. President, I make the inquiry, how long does the Senator from Ohio think it will take to dispose of the appropriation bill he proposes to have now considered.

Mr. **TAFT**. This is the second supplemental bill. I hope the debate will be short. Before we adjourn tonight the bill must go to conference, and we must also adopt the conference report. It is most important that we consider the bill now.

The **PRESIDENT pro tempore**. Is there objection?

Mr. **WHERRY**. Mr. President, reserving the right to object, I was in communication with one of the Members of

LONG-RANGE AGRICULTURAL POLICY AND PROGRAM

REPORT

OF THE

COMMITTEE ON AGRICULTURE AND FORESTRY UNITED STATES SENATE

PURSUANT TO

S. Res. 147

AUTHORIZING A STUDY OF AGRICULTURAL
LEGISLATION, AND OF TRENDS, NEEDS,
AND PROBLEMS OF AGRICULTURE

Summary of the hearings held by the Subcommittee
on Long-Range Agricultural Policy, and a statement
of a long-range policy and program for American
agriculture.



FEBRUARY 9 (legislative day, FEBRUARY 2), 1948.—Ordered to be printed

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CONTENTS

	Page
Foreword.....	1
Essentials of a long-range agricultural policy.....	3
Summary of testimony presented before the subcommittee.....	4
Summary of field hearings.....	4
Testimony of national farm organizations.....	9
Testimony of land-grant college representatives.....	11
Testimony of the United States Department of Agriculture.....	12
Explanation of a long-range agricultural policy.....	14
Discussion of policy objectives.....	16
Abundant production.....	16
Economic interdependence.....	17
Parity of income.....	19
Soil conservation.....	23
Human development.....	27
Family farms.....	29
Farm labor supply.....	33
Research and education.....	34
Farmer program direction.....	37
Adequate credit facilities.....	38
Farmer cooperatives.....	41
Agricultural agency adjustment.....	42
Legislative objectives.....	45
Appendixes:	
Redefining parity for agriculture.....	47
Foundations of agricultural policy.....	55

LONG-RANGE AGRICULTURAL POLICY AND PROGRAM

FEBRUARY 9 (legislative day, FEBRUARY 2) 1948—Ordered to be printed

MR. AIKEN, from the Committee on Agriculture and Forestry,
submitted the following

REPORT

[Pursuant to S. Res. 147]

FOREWORD

The following report was prepared pursuant to Senate Resolution 147, the provisions of which are:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittees thereof, is authorized and directed to make a study and inquiry into the trends, needs and problems of agriculture in the United States, Territories, and possessions.

SEC. 2. The committee shall report to the Senate at the earliest practicable date the results of its study, together with such recommendations as it may deem desirable.

SEC. 3. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized during the sessions, recesses, and adjourned periods of the Eightieth Congress to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed \$15,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The subcommittee was appointed by the Chairman of the Senate Committee on Agriculture and Forestry on August 11, 1947. Subsequently it held numerous hearings on the problems of agriculture, and hereby reports its findings with recommendations for a long-range agricultural policy and program.

The subcommittee regards this report as having timely significance in this era of unstable national governments and disorganized international trade. Now is the time to scrutinize and to adjust national and international policies so as to meet more adequately current and long-time needs. Our Nation is rich in natural resources, but it has a major task in seeing to it that the population receives adequate food and fiber while safeguarding the future productivity of our farms and the well-being of our rural people.

Adequate and assured production to meet our primary needs of food, clothing, and shelter, and to furnish opportunities for self-development, is the bulwark of a strong nation. Our rural people, half of whom later become members of urban communities, need to be mentally and physically equipped in order to be efficient workers, for national welfare is directly related to the volume of useful goods and services available, which in turn depends upon the productivity per worker. It is with a view to setting forth the principles involved in developing a sound agriculture that these policies and programs are presented.

The report is introduced by a brief summary of the policy objectives which are presented as the 12 essentials of the long-range agricultural policy. The hearings have been printed in full but are summarized here for emphasis and brevity. The 12 essentials of the proposed long-range agricultural policy are explained in some detail, and adjustments in present programs, together with necessary new action, are suggested. In the appendixes, the major policy objectives of past Federal legislation designed to improve agriculture are reviewed, and recent programs are analyzed. A discussion of the parity concept is also presented in the appendixes.

Throughout the hearings and the preparation of this report the subcommittee has kept before it certain fundamental principles. Among these are the conviction that any sound long-range policy must be based upon the experience and judgment of farm people; that farmers should participate in putting policies and programs into effective action; that ready means should be provided for keeping both policies and programs up-to-date; that all people have a vital interest in agriculture because of their dependence upon it for primary needs; that basic policies should serve the public welfare rather than any group; that past agricultural experience should be utilized fully in making future plans; and that progress is made by building present policies and programs upon the foundation of past action which has served useful purposes.

Furthermore, this long-range agricultural policy and program is intended to effectuate the full coordination of State and Federal action. The subcommittee subscribes fully to the principles in our National and State Constitutions which hold that the several States should be vitally concerned with all programs in behalf of the general welfare, and that local responsibility should be relied upon insofar as possible. To these ends the subcommittee urges the States to review their agricultural policies, laws, and programs to discover means of facilitating the accomplishment of the policy objectives presented herein.

It is anticipated that this long-range agricultural policy will encourage a close scrutiny of every phase of our agricultural programs—research, education, and action as well as legislation and administration—with a view to strengthening the various programs and of making them serve more fully the needs of consumers as well as the agricultural producers.

ESSENTIALS OF A LONG-RANGE AGRICULTURAL POLICY

1. A major objective of a long-range agricultural policy is to achieve an abundant production of food, fiber, and forest products adapted to the wants and physical well-being of all domestic consumers and to develop a strong export trade.
2. The interdependence of agriculture, labor, and industry requires that all production programs be designed to maintain efficiency, comparable incomes, and a high level of employment so that each economic group may be stable purchasers of the services and goods produced by other groups, thereby helping to maintain acceptable levels of living.
3. A well-balanced national economy requires that agriculture, as well as any other segment of our economy, receives a fair share of the national income; it requires also that means be maintained to prevent a disastrously low income for any particular group of producers of needed farm products.
4. Maintenance of an abundant production demands the conservation, restoration, and development of our soil, water, and forest resources.
5. The full development of our rural human resources requires improved facilities for education, nutrition, health, and recreation in order that all of our people may share in the opportunity to be useful citizens whether employed in agriculture or in industry.
6. The owner-operated family farm, long an accepted ideal of American farm policy, needs to be continued and strengthened as the basic type of unit of our farm economy.
7. A labor supply adequate for abundant agricultural production requires improved labor placement facilities, accident prevention, and social-security services adapted to and available for rural use.
8. Agricultural progress is dependent upon increasing production per worker through continued advancement in agricultural technology and science based upon expanded research, experimentation, education, and demonstration.
9. Federal, State, and local agricultural programs should encourage and develop full farmer participation in planning and administering production operations, marketing programs, and service activities.
10. Federal credit facilities for agriculture should be kept adjusted currently to the sound credit requirements of farmers and farm institutions.
11. The right of farmers to organize marketing, purchasing, and service cooperatives under existing cooperative law needs to be safeguarded.
12. The services of National and State agricultural agencies need to be kept adjusted to the legitimate and changing requirements of agriculture.

NOTE.—A more detailed discussion of these 12 points begins on p. 14.

SUMMARY OF TESTIMONY PRESENTED BEFORE THE SUBCOMMITTEE

Hearings were held during the period of October 6 to December 11, 1947, to receive the testimony and recommendations of individuals and organizations interested in agriculture. Eight public hearings were conducted in succession outside of Washington in various regions throughout the Nation. They were held at the following points: Peoria, Ill.; Minneapolis, Minn.; Sioux Falls, S. Dak.; Des Moines, Iowa; Denver, Colo.; Springfield, Mass.; Memphis, Tenn.; and Columbia, S. C.

The witnesses represented a wide range of interests, embracing many different types of farming. Approximately 350 individuals appeared before the subcommittee. These witnesses represented a wide range in position, varying from many farmers appearing as independent witnesses in their own behalf to officials of farmer cooperatives, State and National associations of farmers, members of State and county United States Department of Agriculture committees, directors of soil conservation districts, State commissioners of agriculture, and officials of the land-grant institutions.

Throughout the hearings an intense interest in the development of a sound long-range policy for American agriculture was evident. This report would have been impossible except for the mature advice and wise guidance received from those who testified. The subcommittee is keenly conscious of the debt of gratitude that it owes to the assistance received from the American farmers and the servants, both private and public, of our farmers.

The following statement is a summary of the testimony presented before the subcommittee. The detailed statements of the witnesses appear in the complete report of the hearings, including those held in Washington. The Washington hearings, in the main, include testimony presented by representatives of the United States Department of Agriculture before a joint session of the House Committee on Agriculture and the Senate Subcommittee on Agriculture and Forestry, and testimony presented to the subcommittee by representatives of the leading farm organizations and of the land-grant institutions.

SUMMARY OF FIELD HEARINGS

The summary of the testimony given at the eight regional field hearings is presented briefly as follows:

1. Witnesses repeatedly supported the principle of abundant production. Some emphasized, however, that any plan of helping less fortunate nations in need of food should not be permitted to weaken the future strength of our own agriculture and security. Under present conditions of population growth it was recognized that the world need for food is likely to increase. There was an awareness that if favorable economic conditions continue, this country will soon

approach the time when domestic demand for agricultural products may equal supply except in the case of a few commodities which we can produce with a marked degree of efficiency, such as wheat, cotton, and tobacco.

2. Support prices were requested as an insurance against any possible price and income disaster. However, it was brought out by some witnesses that support prices must be lower than the parity-price level; although others wanted prices supported at their full parity level. While many witnesses were not specific concerning the extent of price supports they desired, they expressed the need of some price protection in times of depression. A number of growers testified that they regarded the support price on potatoes in 1946 to be too high because it encouraged the importation of potatoes from Canada, and also encouraged too great an expansion in acreage by both regular and new producers. Both potato growers and poultrymen testified that the current support prices under the Steagall amendment were at too high a level to encourage desirable production adjustments.

3. There was a general demand that more farmer control be given to the administration of the action programs at the local or county level, and that farmers be permitted to have some voice in determining policies adapted to local conditions.

4. Practically all witnesses recognized the need for soil conservation. There was repeated expression of the need of speeding up and making effective the program of soil conservation.

5. Wide support was shown for some type of agricultural conservation payment to encourage a more adequate soil-conservation program. It was pointed out that some kind of incentive payments are essential to get tenant farmers, in particular, to participate in the conservation program. Witnesses expressed their conviction that soil-conservation practices would be materially reduced on tenant farms generally, and especially on those which needed soil improvement the most, if the incentive payments were eliminated. Some witnesses emphasized that conservation payments to farmers should be made for very definite soil-improvement work. It was suggested that such payments should not be made for things which the farmer would do normally as a part of good farming practice in his community, although the practice might contribute to soil conservation.

6. Many requested that the parity-price formula be brought up to date. While many suggested that farm labor be included in the formula, few witnesses had considered the fact that the inclusion of labor would have tended to lower parity prices in periods of depression over the past years. With the upward trend in wages relative to other costs of production some felt that the inclusion of labor would not materially change parity prices in periods of depression. This reasoning apparently was based upon the assumption that the price relationships of the early 1930's would not be repeated.

7. A number of witnesses said that, in addition to a disaster floor under farm prices, flexible price supports were needed. For example, prices might be supported at a higher level at times to encourage the production of products when it appeared there might be a short supply in the future.

8. Wide support was given to research work, and general recognition to the value of research achievements by State agricultural ex-

periment stations, United States Department of Agriculture, and others. Testimony indicated that more research is needed, especially to provide means of utilizing agricultural surpluses when they arise. It was considered essential that surpluses be diverted from normal channels of trade to secondary uses when diversion is needed. The need for research in the marketing and distribution of food products was stressed. The suggestion was made that more agricultural research work should be carried out by the State agricultural experiment stations.

9. Appreciation was expressed for the wartime role of the Agricultural Extension Service but frequent testimony indicated that its function was educational and that this function should be preserved without asking the Agricultural Extension Service to administer strictly action programs, especially in view of the load of work carried by Extension workers. Some differences of opinion were expressed whether soil conservation should be considered as an educational or an action program. Emphasis was given to the need of well-developed outlook reports prepared by the Extension Service as a guide to assist farmers in planning and achieving needed production.

10. Wide support was given to cooperatives. It was said that through cooperatives farmers could accomplish many of the things required to insure their future success without further extending governmental assistance in the field where cooperation could be used effectively to solve specific problems.

11. The duplication of services to farmers at the county level was frequently criticized, although specific suggestions for removing duplication of effort were not often set forth. Support was evident for combining some, and for greater coordination of all, agencies dealing with soil conservation at the county level. Suggestions were made for combining the Soil Conservation Service and the conservation work of the Soil Conservation and Domestic Allotment Act, or for combining the Soil Conservation Service with the Agricultural Extension Service.

12. A number of witnesses were anxious that in any revision of the agricultural program full opportunity be provided for the individual to use his own initiative in determining the products to be grown on his farm; that is, that a broad over-all program should be developed which would leave choice of production largely in the hands of producers, and would place emphasis upon disposing of surpluses and improving human diet in the event overproduction occurs.

13. Farmers in most sections of the country generally opposed any restriction on production and supported the idea of abundant food supplies, and they looked upon quotas and acreage restriction as being contrary to the principle of abundant production. Therefore, farmers suggested that such controls should be used only as a last resort in times of extended depression. Others considered that controls were essential, especially in the case of tobacco and cotton. Tobacco producers emphasized that marketing quotas were essential for their crop because the major part normally passes into consumption 1, 2, or 3 years after it is grown.

14. It was brought out by several witnesses that if marketing quotas were used (as a last resort) no crops should be harvested from the land removed from production unless such land was devoted to the production of a crop known to be in short supply.

15. The need of utilizing land for growing crops for which the land is best adapted found frequent expression. Throughout the cotton-producing States the trend toward diversified production, including livestock production, was emphasized. It was also pointed out that agricultural action programs should not retard but rather encourage desirable changes in the production of farm products to meet permanent changes in demand.

16. It was recognized that surpluses, to a considerable extent, indicate an inability of consumers to acquire all the food they would like to have and that in times of depression federal food consumption plans should be expanded.

17. A number of witnesses said that additional products should be included with the six major crops now classified as basic crops under commodity loans. Additional crops most prominently mentioned were peanuts, soybeans, barley, and oats.

18. Marketing agreements and orders were urged for perishable products. The experience with milk marketing was cited in particular, but other products were mentioned.

19. Considerable interest was expressed in crop insurance. A number of witnesses recognized that mistakes had been made in crop insurance, but they thought a sound plan of crop insurance adapted to different crops should be developed through careful research and planning. This was emphasized especially with reference to tobacco, because of the many hazards associated with its production.

20. Repeated testimony brought out the desirability of building agricultural programs in such a way as to improve the diet of people. The school-lunch program was mentioned favorably on numerous occasions, and the extended use of surplus foods to improve diets through the old food-stamp plan or some other device was frequently mentioned.

21. Emphasis was placed upon the well-being of farm people as the major concern in developing a long-time agricultural program. Work with the boys and girls of the 4-H Club age, and of returned military service personnel, was suggested in connection with the need for a continued and strong educational program. It was stated that rural children should have the privilege of securing training for life in either urban or rural communities.

22. The need of governmental aid in marketing research, in establishing improved market standards and in the grading of most products was emphasized.

23. Benefits derived from the agricultural program and from farmers cooperatives were cited. In the Southern States in particular, it was stated that the average small farmer has great difficulty in marketing his products, especially cotton and tobacco which are stored for relatively long periods of time before reaching the final market destination. Commodity loans serve as a protection to the small producer but they do not solve completely his marketing problems.

24. Black market operations were blamed for the high price and scarcity of farm machinery and fertilizer in some of the Southern States. These are working a hardship on many farmers, especially in a period when there is an acute shortage of labor, and when new farm machinery is urgently needed.

25. The frequency with which scarcity of labor especially of the seasonal type was mentioned indicates that it represents an item of

major concern to farmers dependent upon short-term labor for certain types of farm production, including the harvesting and canning of vegetables and fruit, seed production, and sugar beet production.

26. General approval was given to the work of the Farm Credit Administration with the request that the system of Federal supervised credit of the agricultural industry be maintained, and not impaired with respect to the services provided farmers. A number of older farmers admitted that while financial matters did not worry them greatly as far as their personal affairs were concerned, they were anxious to have a strong credit system that would protect the unusually large number of men who are now entering farming.

27. Witnesses generally considered that farm prices were not too high compared with the prices that the farmers have to pay for goods they purchase. A few witnesses expressed concern for the consumer whose income had not been increased in proportion to the advances in prices of things he had to purchase.

28. Especially in the New England area, forestry was presented as being an important phase of agriculture. It was emphasized that trees are being harvested for lumber at a more rapid rate than they are being reestablished. Additional pest control and extension demonstrations of good forest management were presented as special needs.

29. Several witnesses mentioned the need of extending social security to farm workers.

30. On several occasions statements were made to the effect that agricultural programs should have a broad base and that separate programs and legislation for individual farm commodities should be avoided.

31. Some emphasis was given to the need for rural education for nonagricultural employment. It was recognized that a large number of the rural children eventually find employment away from farms.

32. The benefits of rural electrification were mentioned by many witnesses. The lack of electrical service was stressed mainly in the western Great Plains area where widely scattered farm homes and the present high cost of installation make the cost per consumer exceedingly high.

33. Several witnesses expressed concern over what they called monopoly practices of highly organized business and labor groups. It was suggested on several occasions that the special privileges of these groups make it doubly essential that a strong agricultural program be developed, since agriculture consists of many small businesses not closely organized. In the same connection, it was stated by some witnesses that they disliked subsidies, and that they opposed them as a means of counteracting inequities which exist in markets and which prevent the establishment of fair prices.

34. It was mentioned that farmers need to be encouraged or aided to carry out building and construction programs and major land improvement programs during periods of depression.

35. Considerable support was given to the desirability of encouraging international trade. Suggestions included reciprocal trade agreements, modernizing the McNary-Haugen plan, the use of export debentures, and other devices.

36. Several witnesses made statements indicating the need of regulating the purchasing power of the dollar.

37. One witness stressed the need of making the Federal land appraisal service available to the public.

38. Occasional references to the Farmers Home Administration were mainly from the standpoint of the need of assisting the beginning farmers.

39. Some of the witnesses in the field held that benefit payments from agricultural programs should be restricted to those who develop and carry out complete soil-conservation programs on their own farms.

TESTIMONY OF NATIONAL FARM ORGANIZATIONS

Apart from the field hearings, the subcommittee received testimony in Washington from officials of four major farm organizations. They appeared in the following order: the American Farm Bureau Federation, the National Grange, the National Farmers' Union, and the National Council of Farmer Cooperatives. Most of the major points presented by these organizations have been mentioned in the summary of the field hearings. Frequently the points were presented at the field hearings by local members of the same organizations. The major differences in the testimony of the farm organizations arose in connection with the methods recommended for attaining desired results, rather than in the over-all agricultural problems that they recognized. Briefly, some of the needs and objectives concerning which farm organizations were in general agreement included:

1. Maintaining abundant or adequate production of food and fiber products.
2. Securing an equitable share of the national income for agriculture.
3. Conserving and building up of our soil resources.
4. Improving the coordination of the Federal agencies that work with farm people.
5. Improving or modernizing the parity formula.
6. Using price supports and production control.
7. Improving facilities for rural development, including health, education, nutrition, and recreation.
8. Improving marketing, processing, and distribution of farm products.

AMERICAN FARM BUREAU FEDERATION

The American Farm Bureau Federation, in addition to the points emphasized also by other farm organizations, stressed the importance of:

1. Expanding foreign trade.
2. Extending international commodity agreements to help dispose of farm surpluses and stabilize farm prices.
3. Continuing reciprocal trade agreements with equitable treatment of agricultural production and the development of a constructive import program.
4. Decentralizing and coordinating the research, educational, informational, and technical aspects of the conservation programs through the land-grant colleges.
5. Establishing the Commodity Credit Corporation as a permanent institution with adequate lending authority.

6. Enacting legislation S. 1251, H. R. 2494, providing a national program for restoring and maintaining soil fertility.

7. Retaining the full amount of 30 percent of import duties for use in disposal of agricultural surpluses.

8. Extending the Marketing Agreement Act to other commodities new excluded.

9. Increasing research in production, marketing, and distribution of farm products.

10. Making the cooperative credit system completely farmer-owned and farmer-controlled and coordinating the credit services to farmers under an independent, national, policy-making, bipartisan board.

11. Safeguarding farmer cooperatives.

12. Developing a sound basis for crop insurance.

13. Extending section 22 of the Soil Conservation and Domestic Allotment Act to safeguard any agricultural program carried out by the Department of Agriculture by applying import quotas and fees when necessary.

14. Continuing the rural electrification program.

NATIONAL GRANGE

The National Grange set forth the following three major guiding principles:

a. All prosperity springs from the production of wealth.

b. The compensation of each person should be based upon what he contributes to the general welfare.

c. The prime purpose of government is to protect its citizens from aggression, both physical and economic.

With these three principles as guideposts, some of the points in addition to those accepted by the other farm organizations included:

1. Increasing marketing efficiency by sound merchandising of products that appear to be in surplus and the broader use of marketing agreements for farm products.

2. Stabilizing prices for farm products by the use of flexible price floors under farm products to prevent the collapse of farm income, which floors should be somewhat above a "stop-loss" price floor, but not high enough to encourage an over-expanded production.

3. Using a two-price system for disposing of surplus products.

4. Creating a Federal Farm Commission.

5. Establishing an advisory board to assist the Federal Farm Commission in determining areas of shortage and surpluses and in making recommendations regarding the exertion of market pressure or restrictions, especially with reference to adjusting flexible price floors to encourage or discourage production, so as to accomplish abundant production without creating surpluses.

6. Revising the parity formula for use as a guide or measuring stick but not to be attached directly to price supports.

NATIONAL FARMERS UNION

The Farmers Union gave considerable emphasis to the following additional points:

1. Securing a minimum income from farming for those who give their major employment to agriculture.

2. Developing plans for each farm to be used as a basis for adjusting production to market demands and for improving soil resources.

3. Developing agreements by bargaining between representatives of producers and consumers for pricing food products on a basis equitable to each group.

4. Establishing county committees of farmers elected under the supervision of representatives of the Secretary of Agriculture, to supervise county operations pertaining to action programs.

5. Using a federally employed county executive officer to administer Federal-action programs.

6. Purchasing farm land by the Government for the establishment of family-sized farms.

7. Utilizing underemployed farmers and farm workers on soil-improvement projects.

8. Establishing minimum wages for farm workers.

9. Training of surplus farm workers for other employment.

NATIONAL COUNCIL OF FARMER COOPERATIVES

The National Council of Farmer Cooperatives placed considerable emphasis upon the following points in addition to those of general agreement:

1. Maintaining an opportunity for agriculture to adjust itself readily to changing conditions within a system of free enterprise economy.

2. Establishing more efficient production through eliminating uneconomic-sized farms and adopting improved techniques in production.

3. Making more effective use of underemployed farm people.

4. Stimulating foreign trade.

5. Improving social security for rural people.

6. Improving the farm labor policy.

7. Establishing a full-time nonpartisan policy-making Federal farm credit board.

8. Expanding marketing agreements.

9. Maintaining an economic climate in which farmers can market and purchase cooperatively on a basis competitive with other business.

TESTIMONY OF LAND-GRANT COLLEGE REPRESENTATIVES

Following the field hearings, representatives of the Association of Land-Grant Colleges and Universities presented evidence to the subcommittee in Washington as to the scope and content of the research and extension work in the States and Territories and their relationship to Federal agencies, and made suggestions concerning the co-ordination of the work of the various agricultural agencies. The land-grant college representatives stressed the following points:

1. That the areas of agreement with the testimony presented previously by representatives of the United States Department of Agriculture were much larger than the areas of disagreement, and that the major disagreement reflects differences in the degree of emphasis upon State and community organization, direction, and initiative as contrasted with Federal organization and administration.

2. That sound programs of action must be based upon comprehensive research and preceded and supplemented by education; that educational activities should be the responsibility of the Extension Service, and that there should be a minimum of centralization of control.

3. That agricultural research is sterile unless the results are put into practice, and that this must be done largely through education and demonstration.

4. That research and education frequently must be supplemented by wise use of the police power, the taxing power, the power of eminent domain, Government-sponsored credit, and grants-in-aid.

5. That there are in each State two agencies carrying on educational work in soil conservation—the Extension Service and the Soil Conservation Service—and that the land-grant colleges and universities should conduct this work through their experiment stations and extension services, while the “action” phases of other programs should be conducted by other appropriate State agencies.

6. That the experiment stations have been tremendously important in the development of scientific farming, which is illustrated by hybrid seed corn that increased the value of the 1947 crop by more than 30 times the entire cost of operating the experiment stations for that year. Other significant contributions of agricultural research cited were streptomycin, new methods of drying rice, improved quality of soybeans, control of parasites in horses and mules, safer vaccine for brucellosis, citrus scale control, pasture improvement, and restoration of arsenic-laden soils.

TESTIMONY OF THE UNITED STATES DEPARTMENT OF AGRICULTURE

Prior to the hearing of testimony already mentioned the Secretary of Agriculture and his associates presented testimony based upon current agricultural conditions and directed toward long-term objectives. In addition, they presented basic facts necessary in figuring out a desirable pattern of agricultural production and ways and means of attaining that production. The more important features of this testimony are presented as follows:

1. The basic objective in a national agricultural policy should be an organized, sustained, and realistic abundance.

2. Other objectives include: (a) A fair price for agricultural products and an income on a parity with the returns of others who make comparable contributions to the general welfare; (b) a continuation of increased efficiency in agricultural production; (c) improved levels of nutrition and living; (d) a wise use of our land, water, and forest resources, so they will be permanently useful; (e) prevention of concentration of our productive facilities in the hands of too few persons; and (f) our proper participation in programs to attain these objectives for other countries through joining in the programs of the Food and Agriculture Organization and other agencies of the United Nations.

3. A progressive national policy for agriculture must be based upon a comprehensive research program in the biological, physical, and economic-social sciences, which must be concerned, among other things, with (a) improving our processes of distributing agricultural products through increasing the efficiency, expanding market outlets, and

keeping supplies and demands in proper balance; and (b) increasing our efficiency in use of farm products and discoveries of new uses of farm products.

4. The use of "pilot farms" to supplement the educational process was recommended in order to reduce the time required for new discoveries to become adopted by farmers.

5. Emphasis was placed on the basic research upon which our so-called practical or applied research is predicated; and long-term budgets to expedite such research were suggested.

6. Our most valuable agricultural resource is farm people; as a consequence we should be concerned about conservation of humans, and we should see to it that farm people have parity of opportunity for self-development.

7. The human conservation and development program should include, among other things (a) the development of opportunities of making a living in many low-income areas; (b) greater stability on the land and better opportunities to climb the so-called "agricultural ladder"; (c) adequate health, sanitation, and safety measures; (d) better rural education; (e) adequate rural housing; (f) extension of social security to farm people; (g) expansion of rural electrification and telephones, and improvement of roads and recreational facilities; (h) extension of farmer cooperatives; and (i) development of effective cooperative action with rural churches.

8. The land conservation and development program dealing with our most vital agricultural resource, would be concerned with (a) supplying educational services, technical assistance, incentive payments, and conservation materials; (b) applying support operations so as to prevent the undesirable use of land; and (c) integrating the various conservation activities at all levels.

9. The problem which agriculture faced during the years of apparent food surplus and low agricultural income was a problem of underconsumption and not overproduction; to solve this problem we must maintain food consumption during depression periods.

10. Programs recommended to stabilize consumption include the school-lunch program, direct distribution, food-allotment program, and wider industrial uses of farm products.

11. Programs recommended to adjust production and marketing to consumer demand include work regarding the agricultural outlook and production goals, acreage allotments and marketing quotas, marketing agreements and orders, and direct price supports which should be based upon a modernized parity formula, having a high degree of flexibility and providing for the limitation of mandatory loans and purchase operations for storable commodities.

EXPLANATION OF A LONG-RANGE AGRICULTURAL POLICY

Vast natural resources and a virile population made possible our rapid national development. Rich agricultural lands played a major part in the expansion and development of our country. Our ancestors, who came from all parts of the world, also contributed to the settlement and the speedy development of our natural resources. Ideas received from the immigrants who found a home in our country made us as a nation seek new and better means of utilizing more efficiently the seemingly boundless resources with which nature endowed us. Farm and forest products furnished in ever-increasing abundance the greater part of our food, clothing, and shelter. This abundance made our level of living rank in first place among the nations of the world, and it supplied large quantities of products to other nations, both in time of peace and in time of war. With the increase in world population, the major part of which is undernourished, our national attention must continue to be focused with care upon the primary needs of life.

The phenomenal development of our Nation, unfortunately, led to unwise exploitation of our resources. In the early stages of our national life, the extravagant use of natural resources made possible the building of large cities, public-service institutions, transportation systems and industrial factories, while at the same time maintaining a relatively high level of living. It is a matter of national concern that this depletion of natural resources was permitted to go at too rapid a pace and too far. On the other hand, wise and effective policies can expand the production of our farms and forests on a basis which will prevent further exploitation of our resources. Thus progress must be accomplished through better use of our soil, water, and forest resources, which need to be restored and improved, and through more effective use of our labor force, which needs to be more healthy and better trained.

CHARACTERISTICS PECULIAR TO AGRICULTURE

When planning for further improvement in the agricultural industry the dependence of the public upon agriculture and the characteristics peculiar to it need to be more fully appreciated than in the past. On the one hand, no industry more vitally concerns all of the people; on the other, agriculture differs from most industries in several significant ways. These differences affect, and to some extent determine, the organization of agricultural production and, as a consequence, the life and well-being of farm people. The characteristics peculiar to agriculture which should be considered when developing a long-range agricultural policy and program include:

1. The production required to fill the primary needs of every urban and rural family for food and clothing originates principally on the Nation's farms.

2. As a consequence, the entire population benefits directly from technical progress that assures an abundant supply of farm products at a reduced cost of production.

3. Abundant production of food and fiber, however, is dependent largely upon maintenance of the high productivity of the soil which is readily exhaustible.

4. Conservation, restoration, and development of the soil for future production, therefore, contribute directly to the welfare of all the people.

5. Even under the best conditions, however, agricultural production cannot be controlled completely, or even within narrow bounds. It varies widely from year to year because of variable weather, pests, and diseases.

6. Moreover, farm production cannot be started and stopped at will to meet changing conditions of demand, for farm-production processes are continuous and controlled mainly by the seasonal growth of crops and the natural life cycle of animals.

7. Since many farm products are perishable in character and are produced seasonally, they must be sold when ready for market, regardless of the demand and price situation at that particular time.

8. The problems growing out of these characteristics are intensified by the fact that the large number of small independent farmers are at a distinct disadvantage in dealing with the relatively small number of large, well-organized commercial establishments, in both the sale of products and the purchase of supplies.

9. The many independent farm operators are unable as individuals to conduct the research and experimentation necessary to maintain technical progress comparable to that attained by large industrial corporations.

10. Similarly, because of the scattered location of farms, most rural people are unable to provide, without assistance, many of the services that are readily available to most city dwellers.

11. On the other hand, the high birth rate among rural people makes possible the large farm-to-city migration of manpower which is necessary to continue the growth of urban centers.

A long-range policy for agriculture should take into account these peculiar characteristics of farming and rural life. The public interest in agricultural policy arises from the present and future benefits to all the people of a sound, well-defined, and fully coordinated long-range program for agriculture. The following discussion sets forth and explains in some detail the 12 essentials of a long-range agricultural policy which were stated on page 3.

DISCUSSION OF POLICY OBJECTIVES

1. A MAJOR OBJECTIVE OF A LONG-RANGE AGRICULTURAL POLICY IS TO ACHIEVE AN ABUNDANT PRODUCTION OF FOOD, FIBER, AND FOREST PRODUCTS ADAPTED TO THE WANTS AND PHYSICAL WELL-BEING OF ALL DOMESTIC CONSUMERS AND TO DEVELOP A STRONG EXPORT TRADE

A policy of abundant agricultural production should mean that agricultural resources will be used to obtain an adequate current supply of food and fiber products and, at the same time, secure a high level of efficiency and insure an adequate future production. This policy recognizes that national well-being is dependent also upon the efficient and abundant production of useful goods and services by every other segment of our economy. Moreover, it recognizes that the real wealth of a nation is measured largely by the volume of useful goods and services available to its people. Adequate production requires the balanced effort of all people and the reduction to a minimum of the restrictions to full and efficient production. One of the greatest national needs is for all individuals to recognize this simple truth and to assume personal responsibility for acting in accordance with it. Agriculture should not be expected to use its resources to produce abundantly if other segments of the economy materially reduce their production in a way to maintain artificially high industrial wages and high prices for nonagricultural products.

The total agricultural production of the United States for human consumption was increased by a third during the war. This permitted the shipment of large supplies of food, feed, and fiber products to our allies and to other countries in need. Of more significance for the future, perhaps, is the fact that it permitted increased domestic consumption of farm products in this country. Rising incomes have allowed consumers to buy the larger volume of food even though there was no general decline of prices of food. Except for the large yield of our major crops, due in no small part to unusually favorable weather conditions, the present rate of consumption would mean an approaching balance between food imports and exports. Our people generally are consuming a better balanced diet than at any previous period. This trend is in the interest of better national health and physical development of all of the people. Looking to the future it should be recognized that our population is now increasing at the rate of about 1 percent a year; this calls for a larger future supply of food each year for domestic use.

It is to our advantage to carry on a certain amount of international trade in agricultural products. Foreign export trade should be so ordered that it will help all nations to gain from the exchange by using their own resources to greatest economic advantage. Because all kinds of natural resources are not equally available in every nation, the greatest good to all the people will arise when each nation exchanges those things which it can produce at the greatest comparative advan-

tage for those goods that some other nation can produce more economically. Lack of international stability and security is the only valid reason for a nation to produce at home goods which can be obtained more economically through international exchange.

During the immediate postwar period, while the world is short of food, maximum production is desirable in the United States to help relieve the distress of other nations. As other countries come into greater food production, it will be advisable and advantageous to our country to develop new trade relations and to continue those already established with other countries. The evidence indicates that both farmer and national interests call for abundant farm production, a balanced relationship between economic activities, and a vigorous trade with other nations.

An abundant production of agricultural products to meet the full needs in any year may easily lead to burdensome supplies of some products in years of especially favorable yields. Thus a policy of abundant production requires added attention to provisions for utilizing surplus farm products when our economy gets out of balance, or when any commodity is temporarily oversupplied. In years of excessively large production, the essential safeguards are the utilization of surplus farm products through consumption programs, increasing exports, and diversion to other economic uses. In addition, a national economic policy of abundant production of all useful goods and services will demand continual adjustments between different branches of the whole economy in order to keep various lines of production in balance. The Nation should be prepared to assist various economic groups in making these needed adjustments if abundant production is to be maintained in the interest of all of the people.

2. THE INTERDEPENDENCE OF AGRICULTURE, LABOR, AND INDUSTRY REQUIRES THAT ALL PRODUCTION PROGRAMS BE DESIGNED TO MAINTAIN EFFICIENCY, COMPARABLE INCOMES, AND A HIGH LEVEL OF EMPLOYMENT SO THAT EACH ECONOMIC GROUP MAY BE STABLE PURCHASERS OF THE SERVICES AND GOODS PRODUCED BY OTHER GROUPS, THEREBY HELPING TO MAINTAIN ACCEPTABLE LEVELS OF LIVING

Experience from 1930 to 1935 provided convincing evidence that the national economy cannot continue to prosper when the income of any important segment is in financial distress. A sound national economy requires a greater stabilization of all production and income than has prevailed in the past.

Large-scale unemployment must be prevented if the demand for farm products is to be maintained, for purchasing power is reduced when large numbers of people are not productively employed. During extended periods of widespread unemployment agriculture suffers from reduced demand and lower prices for farm products. In turn, farm people cease purchasing the normal amount of goods and services. The purchasing power of industry is likewise reduced but the consequences are somewhat different from those in agriculture as was shown by conditions in 1932. At that time, agricultural production continued near normal, but prices of farm products fell to less than 60 percent of normal. By contrast average prices of industrial products were maintained at about 95 percent of normal, although this

threw millions of urban workers into unemployment when industrial production was drastically curtailed to below 60 percent of normal, in order to maintain prices. Hence, while agriculture tended to maintain production and industry tended to maintain prices, all segments of our economy suffered. Millions of laborers were idle, factories were closed and thousands of farmers faced financial disaster. Many restrictive acts of industry, labor, and urban groups contributed to the severe depression of the early 1930's. This situation should not be permitted to recur. When pledging abundant production, agriculture must ask industry to do its part in continuing employment in order that purchasing power may be maintained, and must ask labor to do its part in maintaining production. It is important that restrictions on full production shall not be imposed in a way that tends to precipitate depressed conditions.

Some of the restrictions which are not consistent with a policy of abundant farm production and which may be self-imposed by other segments of our economy include reducing the output of industries and maintaining artificially high prices; limiting the output per industrial worker by slow-down agreements among laborers; limiting the number of workers entering skilled trades to maintain artificially high wage levels; limiting the number of people entering professional fields before rural communities are adequately served; employment of stand-by workers who do not contribute appreciably to productive effort; and excessive tariff protection on certain products which contribute to national welfare and for which we could exchange products to advantage.

Full production on the part of agriculture means that in years when demand conditions are unfavorable prices will be low. Some ways of softening the effect of declining demand by stabilizing total farm income within reasonable limits provide a means of helping to stabilize our total economy. Hence, in coming forth boldly to support abundant production, agriculture is supporting a principle which other segments of our economy should adopt to improve their own position and to promote the national welfare.

A sound national economy likewise requires a greater stabilization in the values of money to reduce the risks to investments and the hazards to labor employed in agriculture and industry. When prices of products change violently, different economic groups do not experience similar changes in income. Groups on fixed salaries, for example, lag far behind organized industrial workers in securing adjustments in their income. On the other hand, during an inflationary period, farmers' costs of production normally rise more slowly than the prices of the products they sell, but, during a period of deflation, costs of production go down much more slowly than the prices of farm products.

These maladjustments in income and costs of living among different economic groups have caused great individual loss and hardships in the past. In the early 1930's, for example, many farmers and other citizens lost title to their property. Workers without employment faced distress and frequently returned to rural communities, at a high financial cost, where they found little profitable employment. This unemployment and shifting of population meant an economic loss to the Nation as well as to the individual and an added burden for the rural community.

The interdependence of agriculture and industry is further shown by the population situation. The rural birth rate, normally much higher than that in urban centers, is about double the number needed to maintain the rural population. As a consequence, approximately half of the rural young people migrate to the cities. Without the higher rural birth rate and migration to urban centers most cities could not expand as in the past, neither could they maintain their population. Salt Lake City and a few other metropolitan districts were the only urban areas above 100,000 population in the United States that had a birth rate sufficiently high to maintain their population in 1935-39. In view of this situation, *industrial employment should be maintained permanently on an expanding basis which will absorb new workers and prevent the mass movement of people from cities to farms, where they cannot be productively employed. Continued national progress requires that reasonably full and stable employment be provided for the total labor force to prevent loss of purchasing power by individuals and low productive activity throughout the Nation.*

3. A WELL-BALANCED NATIONAL ECONOMY REQUIRES THAT AGRICULTURE, AS WELL AS ANY OTHER SEGMENT OF OUR ECONOMY, RECEIVE A FAIR SHARE OF THE NATIONAL INCOME; IT REQUIRES ALSO THAT MEANS BE MAINTAINED TO PREVENT A DISASTROUSLY LOW INCOME FOR ANY PARTICULAR GROUP OF PRODUCERS OF NEEDED FARM PRODUCTS

Previous periods of low business activity have demonstrated clearly that all segments of our economy suffer from a depression. In addition, our agricultural experience, particularly since World War I, indicates that *an abundant production of farm products, the conservation of the farm plant, and the security of the farm investment requires that the income of farmers be maintained on an equitable basis with other economic groups.* These, therefore, are objectives in the effort to maintain farm income on a parity with other groups.

Since people need adequate food in bad times as well as in good times, the Nation's interest in good diets demands that agricultural production be maintained permanently at a relatively high level. Following the policy of abundant production, however, entails certain difficulties, for it places agriculture in an especially vulnerable position during a depression. Because most farm production processes are started long before the product reaches market, the volume of farm production cannot be adjusted from month to month or even from year to year to meet anticipated demand, as can the production of industry. In fact, variable weather conditions may cause production of individual commodities to increase or decrease as much as a half from that which was planned. Also agriculture incurs expenses of production over a long period of time before products are marketed. In addition, the farmer usually sells at a price set by those who buy his product and buys at a price set by those who sell supplies. Meanwhile many of the farmers' costs, such as interest, amortization, taxes, and certain industrial commodities, remain relatively fixed, year in and year out, and few of these costs can be stopped or reduced by an adjustment in production. These are a few of the conditions that make the farmer peculiarly dependent upon price relationships, if he is to receive a fair share of the national income.

The present parity formula as used for price-support purposes is based only upon prices of farm products. The parity objective is only partially attained when supports are based upon prices. Since the farmer's income is determined by the quantity of products that he produces as well as by the prices he receives, the total production and supply of farm crops, for example (which are determined largely by crop yields), need to be considered if the farmer is to be assured an equitable share of total national income. In modernizing the parity formula, this should be taken into consideration. (For a fuller discussion of parity for agriculture, see p. 47.)

Experience has shown that price supports based upon price relationships without regard to supplies encourage the accumulation of burdensome surpluses. When price supports for any product are maintained at too high a level, farmers will tend to produce too much of that product while consumption of the product will be discouraged. *Therefore, support prices for farm products should be at levels which will encourage farmers to adjust their production to the long-time market demand for products and will discourage unneeded imports of these or substitute products and which will not unduly restrict the consumption of the products. Hence, price supports should give primary consideration to parity of income rather than parity of prices and available supplies as well as prices should be used in measuring parity relationships.*

A second major criticism of the present parity formula is that it does not reflect the cost-of-production relationships that now exist between farm products. For example, compared with 1910-14, the cost of producing corn and other grains is low relative to the cost of producing livestock. Improvement in the efficiency of producing crops has been much more rapid than improvements in livestock production during the last two or three decades. The use of improved varieties of crops, better cultural practices, more fertilizers, and mechanized equipment has contributed to this end. *Parity price indexes for individual farm commodities, therefore, should be based upon recent production information which reflects major changes in the cost of producing different farm products. Furthermore, food and feed grains have a high degree of interchangeability in use which should be considered in the development of price supports or production adjustment programs. These factors must be included in any program of income supports to prevent poor use of farm resources.*

In planning a price-support program it must be recognized that farmers who produce highly perishable products, which must be placed on the market regardless of prevailing prices, are faced with special market and price hazards. *One means of guaranteeing an abundant production and stabilizing the income from perishable commodities, such as milk, fruit, and vegetables, is the use of marketing agreements and orders that are based upon hearings at which producers, consumers, and market agencies are fully represented.* This approach to the problem not only helps to assure consumers an adequate supply of farm products at equitable prices but helps to protect the producer from disastrously low prices. Marketing agreements, however, cannot protect the farmer from unreasonably low income if the production of any product greatly exceeds the market demand.

Even under present conditions of large consumer purchasing power, for example, the farm prices of certain fruits, especially off-grade products, are at a discouragingly low level. Marketing agreements should facilitate the adjustment of production of quick-maturing products like vegetables to current market demand.

Tree fruits, which require a long period for maturity, are difficult products to keep adjusted to demand. A plan of abundant and balanced production is likely to result in surpluses, especially in years when most kinds of the tree fruits produce abnormally well. Price-support programs for these commodities must plan definitely for these occasional surpluses. Stimulation of consumption and diversion to processing for economic uses other than direct consumption, however, will probably not make an overexpanded industry profitable. The price-support and production-adjustment programs should be so developed as to facilitate the reduction in an overexpanded line rather than maintain surplus production by supporting prices at too high a level.

Another criticism of the production-adjustment, price-support program is that it sometimes tends to "freeze" production to particular geographic areas as well as at undesirable levels, both of which may result in a badly balanced or an unduly costly supply. Sufficient fluctuation of prices in response to supply and demand is needed to guide the farmer in making his production plans. Furthermore, agriculture must be in position to shift in certain instances from high-cost to low-cost areas. Much of our agricultural efficiency has been the result of producing products in those areas having the greatest natural advantages. It is much cheaper in the long run to expedite such shifts than to retard them. As a means of providing greater freedom in operating the Nation's farms in accordance with the principle of abundant production and natural advantage, full consideration should be given to utilizing surpluses from abnormally high yields as they arise, through adding flexibility to the price-support program, and through stimulating domestic consumption, foreign export, foreign relief, and diversion to other economic uses.

An important means of using many surplus farm products is afforded by the national school-lunch program. The extension of the school-lunch program, in cooperation with the several States, is a means of providing better physical development of children and of educating them to better food habits, and can be utilized to consume some otherwise surplus foods.

Greater use should be made of stimulating demand in helping to remove burdensome supplies of perishable products. Advertising campaigns entered into by distributors who feature products in heavy supply may induce consumers to take larger quantities of such products. Every endeavor to relieve surpluses through this and similar regular-market means should be utilized rather than to resort to Government price-support programs unless necessary. Purchasing programs for perishable commodities by governmental agencies should be strictly limited to instances which cannot be handled effectively through the established channels of trade. Governmental purchasing activities pertaining to agricultural products should be subjected to every practicable safeguard in order to avoid contributing to market speculation.

The accumulation of burdensome supplies of nonperishable farm products has a depressing effect upon income. When excessive supplies accumulate, they should be removed from the market by diversion to some economic use; or production could be held in check until the supply is reduced sufficiently to justify normal production. However, *acreage restrictions and marketing quotas for nonperishable farm products should be used only as a last resort, when other means have failed, and land so removed from production should be used only for soil building or for crops known to be in short supply.* The fiber crops, including tobacco and cotton in particular, which lend themselves to long storage and which enter heavily into foreign trade, require adjustments in production that may be attained best through acreage restrictions or marketing quotas. But, when production is restricted as a means of increasing income, the price of the exportable surplus is increased. This gives rise to the continued danger that the foreign demand will be supplied from other sources. With cotton, for example, the United States formerly supplied about 90 percent of the export trade. It now supplies only about 30 percent because production has expanded in other countries. Cotton also now faces a reduced domestic market because of the competition with synthetic fibers. Any means of sustaining the price of cotton at a high level may contribute directly to increasing the substitution of synthetic fibers as well as to reducing the export demand for cotton.

Occasionally a small support in the form of direct loans is all that is needed to increase the price of farm products. Reasonable loans to farmers on nonperishable products stored on farms, or in warehouses, usually will provide for a more orderly marketing which may prove highly advantageous in stabilizing the prices of such products. Simplified methods of advancing loans to producers of nonperishable farm products should be used, where applicable, to stabilize prices and to insure the carry-over of farm products in line with prudent annual reserves of these products.

Another means of supporting the prices and of reducing burdensome supplies of certain agricultural products is through export. In fact, the recent trend toward more liberal foreign trade policies, and the commitment to cooperate with the Food and Agriculture Organization and other programs of the United Nations, make it necessary that increased attention be given to agriculture's role in our broad program of international cooperation. Agriculture should share with all other branches of our economy the responsibilities of making possible a strong international trade.

The need of price supports should not be confused with the need caused by disasters such as low crop yields due to unfavorable weather conditions. This latter need is a problem of crop insurance. *Expanded study and well-planned crop insurance adapted to different crops are necessary to the development of sound plans for protecting individual farm income.*

In attaining parity for the American farmer, the objective of abundant production should never give way to the expediency of scarcity economics. In modernizing the parity formula, parity of income should take the place of parity of prices. Flexible price supports, diversion to other uses, stimulation of domestic consumption,

and an increase of exports are appropriate measures under certain circumstances. Marketing agreements, commodity loans, and crop insurance also have an important place in a well-rounded parity of income program. Production controls and marketing quotas are adapted to a few special commodities which lend themselves to long storage, but otherwise their usefulness is limited to emergency conditions.

4. MAINTENANCE OF AN ABUNDANT PRODUCTION DEMANDS THE CONSERVATION, RESTORATION, AND DEVELOPMENT OF OUR SOIL, WATER, AND FOREST RESOURCES

World-wide shortages of food, clothing, and housing are evidence that the productivity of fields and forests is of major concern to every nation. There are more than 2,000,000,000 people in the world; they have an average of about 2 acres of cropland to furnish their food and fiber products. More than half of these people are continually underfed and annually face possible starvation. In the United States we have 3 acres of cropland per person, but conservative estimates indicate that about one-sixth of our cropland is depleted to the extent that it is unsuited for crop production, and serious soil destruction is continuing.

In most sections of the United States agricultural resources continue to be exploited, and their basic productive power declines with each succeeding year. In many areas these resources are being damaged or depleted to a greater extent through water and wind erosion than through the removal of fertility by plant consumption. In other areas valuable water resources are permitted to remain unused. The full economic use of water resources would help conserve and develop extensive areas of unproductive or low-producing land areas. Forest resources are being used more rapidly than new growth takes place. *The conservation, restoration, and development of our soil, water, and forest resources pose one of the most serious long-range problems facing American agriculture.*

For more than a century the people of the United States have exploited the soil to obtain the capital needed to build farm homes, highways, railroads, schools, churches, cities, and a highly integrated industry that has provided a high level of living for our people as a Nation. Continued progress in the American way of life is dependent upon effective protection of the future supply of food, feed, fiber, and forest products. The large exports of farm products paid the principal and interest of foreign debts incurred in the development of our country. The public has never paid for the loss of our soil resources, which, through exploitation, have produced abundantly and at a low cost those things that have made possible this large industrial development. To repair as far as possible the damage that has been done through soil exploitation requires the concentration and coordination of effort by all responsible Federal, State, and local agencies. *A well-integrated soil, water, and forest conservation, restoration, and development program should be designed to develop personal initiative and responsibility in farming our agricultural land by coordinating established teaching and demonstration methods with the necessary technical guidance.*

The American farmer has been permitted to control and to direct the use of his own land with almost no restriction. The right to own land, however, should no longer imply the right to abuse it, for the long-time, public interest in land is greater than the short-time interest of a private owner. Additional public action is needed to impress upon the owner his responsibility to safeguard the future productivity of the land. Soil-conservation districts, organized under State law, can be an effective means of causing individuals to protect the land. Much can be accomplished also through the gradual change of local attitudes by educational and demonstrational means. Where these fail, the district can use its authority to induce the landowner to carry out certain conservation practices; especially when his failure to do so injures the property of others. The few landowners who cannot be encouraged to safeguard the public interest in land may eventually find their progressive neighbors insisting that they maintain the productivity of their land or put it in the hands of those who have more concern for the public welfare.

Farmers should be encouraged to cooperate in acquiring heavy equipment, buying conservation materials, and securing technical help essential to the effective conservation, restoration, and development of resources. Through these and other means available to private individuals, an increasingly large number of farmers will adopt and carry out effective plans for safeguarding their soil resources without governmental incentive payments. Unfortunately, however, many farms are so small or unproductive that their owners feel financially unable to adopt essential soil-improvement practices. Many other landowners, particularly those who rent their farms to tenants, are not sufficiently aware of the destruction of soil resources that is taking place currently on their own farms.

The public interest will be served by checking the loss of soil resources. Any general improvement in agricultural production benefits all the people by increasing the quantity or improving the quality of the food supply. The heavy drain on the fertility of the land during the war years, and the urgent need for increased production, emphasize the need of protecting our soil resources. Encouraging local cooperative self-help, and making available high-grade technical service at reasonable cost, will expedite extensive soil restoration and development. A well-planned educational and demonstrational program has much to contribute and can be effective with relatively few funds. Much farm land, however, will suffer further irreparable damage unless there is more effective effort than can be accomplished through these means alone.

Experience has demonstrated that providing incentive payments and making available conservation materials are effective means of expediting an extensive soil conservation and development program, particularly on tenant-operated and low-income farms. Incentive payments have been an important means of stimulating private action that otherwise would not have been taken and of demonstrating the advantages of various soil-improvement techniques. This has been especially true on farms operated by tenants under short-term leases and on farms which are too small or too unproductive to yield a satisfactory income to the farm family. Incentive payments in many

cases are the only practicable means of stimulating the initiative of farmers to carry out soil programs adapted to their own farms. The partial payment of the cost of limestone, phosphate, terracing, and other soil improvements, which have a long-term value in protecting soil resources, have secured effective soil improvement. As a means of developing the initiative of individuals, however, it is important that incentive payments should not cover the full cost of any improvement.

The main justification for incentive payments to farmers for soil improvement is that it is in the interest of public welfare. One criticism has been that incentive payments made under the guise of soil improvement in some instances have had little permanent benefit to soil conditions. Some such payments appear to have been made primarily to increase farm income. Protection of soil resources is a major agricultural problem and should not be confused with price and income supports. The expenditure of funds designated for this purpose should be used in ways which will most effectively initiate and speed up desirable soil conservation, restoration, and improvement practices on all farms. This objective implies that large payments should not be made for practices already recognized as desirable and in common use, particularly those having only immediate benefits. Protection of our soil resources needs to be a soil-building program with lasting benefits, and not merely a soil-conserving program. Such a program should be directed to secure soil-building action in proportion to the need and to the permanent good that can be accomplished. This requires that full recognition be given to the cost of the improvements in comparison to the gain in the productive value of the land. Any publicly sponsored production adjustment program for purposes of soil improvements should also facilitate desirable long-time changes in land use.

Much remains to be accomplished by research in adapting soil-building practices to varying soil and climate conditions. Research work already completed by State agricultural experiment stations and in cooperation with the United States Department of Agriculture points the way to desirable soil-improvement programs on the basis of States and broad areas within States. Soil conditions within States vary so greatly that research needs to be expanded to expedite needed local adaptation. In developing future action programs full use would be made of all pertinent information. This will require building careful programs at the State level, with the use of the best technical help available within the State. *The problem of adequately safeguarding our soil resources is of such magnitude that the full use of a well-coordinated research and educational program is urgently needed.*

Some soil-improvement activities call for heavy cash expenditures which farmers cannot hope to recover through an immediate increase in farm earnings. This situation requires that careful attention be given to providing adapted credit facilities to accomplish needed soil improvement. Credit needs are most acute in areas of low soil productivity where serious soil losses are now taking place. However, a soil-saving or soil-building program is not the entire answer in these areas, for many undersized farms cannot be made to yield an income

adequate to provide a good level of living for a farm family. In these areas the farms need to be consolidated, or the type of production changed to provide for a good family living without soil exploitation.

The full development of our forest lands is needed, whether included in farms, utilized by farmers for grazing livestock, or used exclusively for timber production. Forest management is an acute problem, because our timber supplies are being used at about twice the rate of growth. Our farms and forests are closely related and interdependent. About a third of the total timber supply is produced in farm woodlots, and millions of acres within public forests are used annually for grazing farm animals.

The United States has done well to acquire and preserve large areas of forest lands. Present forest management, however, in the sense of establishing new forests, thinning thick stands of young timber, the selective cutting of trees, protecting timber from fire and livestock, and other practices designed to encourage increased timber production, is not well developed on the basis of the best scientific information available. *Forest management and development needs to be expanded on both private and public land to provide for sustained lumber production commensurate with our needs.*

Conservation and use of our water resources is not the concern of agriculture alone, for water is used widely for wildlife preservation, recreation, navigation, production of electricity, irrigation, and human health and sanitation. On the other hand, floods need to be controlled and land needs to be drained for agricultural uses. The many uses of water add to the difficulty of making it serve mankind most effectively. Power development, irrigation and control of floods are often competing uses that must be harmonized. The interrelations between agriculture and industry in the use of water need thorough investigation. In the past many major water developments related to agriculture have not followed a consistent and well-conceived policy. Long-term national water conservation and development policies should be formulated so that future undertakings would be in keeping with accepted principles and in the best interest of the public.

Many public action programs designed chiefly for other purposes can be made to contribute effectively to soil and water conservation. Wherever reasonably possible, they should be made to do so. For example, in the event it is deemed necessary to provide public assistance in rural areas during periods of low employment and income, priority should be given to work on soil conservation and restoration, on forest development, and on farm and home improvements. Also, a sound long-time agricultural conservation program requires the conservation of natural fertilizers that exist in limited quantities and an expansion in the production and use of soil-building elements on a scale that deals promptly and effectively with the problem of soil improvement. The future supply of these fertilizers should be safeguarded rather than used exploitatively for short-time gain.

5. THE FULL DEVELOPMENT OF OUR RURAL HUMAN RESOURCES REQUIRES IMPROVED FACILITIES FOR EDUCATION, NUTRITION, HEALTH, AND RECREATION IN ORDER THAT ALL OF OUR PEOPLE MAY SHARE IN THE OPPORTUNITY TO BE USEFUL CITIZENS WHETHER EMPLOYED IN AGRICULTURE OR IN INDUSTRY

The physical, mental, spiritual, and social development of rural youth is of major concern to all groups within the Nation. Well-rounded development can be attained in rural communities, for they provide an excellent place to train for good citizenship. The responsibilities of caring for livestock and other exacting duties give farm youth responsibilities at an early age. Boys' and girls' 4-H Clubs supplement common school and high-school vocational training in developing personal initiative and leadership. The best developed rural communities exhibit many other possibilities of building good citizens.

Unfortunately, however, facilities for proper development of rural youth are still poorly supplied in most rural communities. Relatively few people, whether rural or urban, recognize the problems created by half of the rural young people moving to urban centers. Guidance programs and vocational training need to be expanded and adapted for both the youth who remain in agriculture and those who accept city employment. In all phases of rural education the need is great for placing more emphasis upon good citizenship and individual responsibility. Rural youth who later become urban dwellers have a unique advantage in understanding both rural and urban problems if their training has been properly directed during the formative years of their lives. Rural life presents an unusual opportunity for teaching the complete interdependence of the various segments of our economy in attaining the greatest good for the Nation.

With improved transportation and communication facilities our population is more mobile than formerly. This is desirable from the standpoint of developing a better integrated Nation and of locating people in the employment for which they are best qualified. Under these conditions education becomes more of a national than a local problem. The educational job is becoming more involved, for, although the great specialization by trades and types of employment has been the basis of efficient production, the same trend has led to a lack of appreciation of the interdependence of different groups upon the well-being of each other. The problem of training and educating rural youth is acute, for those rural areas which have the largest proportion of young people who are potential urban dwellers are the ones in greatest need of improved educational facilities and least able to supply the needed services.

In the past, most rural areas have borne a disproportionate share of the cost of education. For most of the cost of educating the rural children who become urban residents has fallen upon the rural areas where those children were born. It is in the national interest that rural educational facilities be expanded greatly and that the cost of educating rural youth to be more equitably shared, to the end that newcomers in any community will be more capable of making a contribution to the social and economic life of that community. Educational facilities

at the high school level should teach rural youth more of the fundamentals of social and economic interdependence and of the American way of life as well as give more attention to the technological training for their life's work, whether on the farm or in the city.

Like their education, the diets of rural people are of especial concern to the Nation. Contrary to the generally accepted belief that rural people are well-fed because they have gardens, orchards, and livestock, the rural population as a whole is not well-fed in terms of protective foods and balanced diets. This fact arises out of a low average income and dependence upon a monotonous unbalanced diet in many rural areas. The Extension Service should expand its program of adult education in regard to the production, storing, preparing, and serving of food, and in furthering better balanced diets. In addition, attention should be given to the expansion of the national school-lunch program especially in areas of poor diet. Food surpluses may be used to improve the diets in both rural and urban areas and to help in developing better food habits. The problem of improving diets is not in any sense a matter which should be dependent upon food surpluses. As a national health problem, diets should be dealt with intelligently.

Records of the armed services show that a much larger percentage of young men from rural areas than from urban centers were disqualified for military service. This grows out of the fact that many rural areas have lagged far behind urban communities in supplying health services, including among other things, free or low-cost medical examination, widespread disease prevention campaigns, school or public nurses, qualified and adequately financed public health officers, and readily available dentists, doctors, hospitals, and health services.

Much can be done by farm people themselves to bring their levels of health up to those of the rest of the Nation. This is particularly true in regard to improving sanitation on the farm. Lack of adequate sewage disposal is the cause of many debilitating diseases particularly in the warmer sections of the country. Most rural families can install adequate facilities on their own farms at low cost. A thoroughgoing health education program is needed badly to inform farm people of the serious drain of poor health on their work efficiency and of ways and means of supplying pure water, disposing of sewage, and attaining better nutrition by their own effort.

In many rural areas, however, the problems of health are community wide. For these areas the local people must act in cooperation with State and national programs. Most rural areas, for example, are poorly supplied with hospitals and physicians. Farm people cannot be expected to produce the food and fiber required by the Nation most efficiently unless their health facilities are maintained at acceptable standards. Neither can they send physically strong young people to the cities for industrial employment and the professions unless better health services are made available in most areas.

On the other hand, because of lack of medical facilities and inadequate knowledge as to recent advances in overcoming physical handicaps, a disproportionately large number of physically handicapped farm youth are permitted to spend their entire lives as inefficient producers. Many physical disabilities can be corrected, and many disabled rural people who now remain a burden upon their relatives

can be rehabilitated as useful citizens. In addition to those who are physically handicapped at birth or from disease, many rural people are handicapped through farm accidents.

Wholesome recreation is another major need in most rural communities. The social habits and forms of recreation acquired during youth determine in large measure the contribution that the individual will make to the social life of the community where he lives. Thus, poor recreational facilities for rural youth are a handicap to urban as well as rural communities. Most rural youth are dissatisfied with the few, low-quality recreational facilities now available. This causes many well-qualified farm boys and girls to migrate to urban centers, where better recreational programs are available. Recreational guidance and training for participation in various activities are things which cannot be postponed, for it will be too late after maturity is reached and habits are formed.

Although these items generally fall outside of the scope of work assigned to this subcommittee, rural human resources are of such strategic importance that this subcommittee suggests that any publicly sponsored education, nutrition, and health programs should serve agriculture on a basis at least comparable with that available to urban areas. However, sorely as it is needed, it is not sufficient, that rural medical services be advanced to the point where they will compare favorably with present urban facilities, for urban as well as rural people are not generally able to afford the best that science and medicine have to offer. It seems clear that much remains to be accomplished in rural areas in these regards.

6. THE OWNER-OPERATED FAMILY FARM, LONG AN ACCEPTED IDEAL OF AMERICAN FARM POLICY, NEEDS TO BE CONTINUED AND STRENGTHENED AS THE BASIC TYPE OF UNIT OF OUR FARM ECONOMY

A successful farm must use the labor of the operator and his family effectively and make efficient use of capital, machinery, and modern technology. This is essential if our farms are to produce at low cost the food and fiber required by the Nation. The family farm must also provide an adequate income for the farmer's family to purchase the quantities of goods and services required for a good level of living. On the other hand, the efficiency and high material well-being of the typical family farmer, and especially his development as a substantial citizen, has depended in no small measure upon his independence in operating a size of farm adapted to the use of labor-saving equipment and the agricultural information at his command.

The Preemption Act (1841) and the Homestead Act (1862) favored the 160-acre unit as the proper family-sized farm. This was indeed a fortunate selection in the humid areas of the Nation, for it facilitated rapid settlement of the country and the development of efficient producing farms. However, the rapid mechanization of agriculture during the last three decades has required that family farms be increased in size, for most economical operation. Thus, the size of farms needs to remain flexible to meet changing conditions. Indeed, prospective improvement of farm equipment over the next quarter of a century, indicates that the size of farms should continue to be readily adaptable, to permit adjustment as new technology makes it

possible for a farm family to operate efficiently a larger farm unit. Size of farms must be kept flexible for other reasons—farm families differ widely in their technical knowledge, managerial capacity, and desires to operate particular types of farms. Furthermore, because of soil, topography, and other natural conditions, farms are not adapted to any standard size for economic operation.

The desirable family farm throughout America is sufficiently large to permit the farm operator to use the most economical methods of production, to utilize fully the ability and ingenuity within his family, and to provide productive employment for members of the farm family. Family farms, excluding both undersized and large-scale farms, represent 55 percent of all farms and produce over 70 percent of the gross farm income. Large family farms may employ an additional laborer throughout most of the year or several laborers during peak seasons, or the additional labor may be supplied by the farmer's family, particularly as the children reach maturity. These arrangements should continue, for in most areas two workers produce more efficiently than one.

The chief problem of size of farms arises at both extremes, with farms that are too large and those that are too small for economical operation. At one extreme are large commercial farms that depend upon employing a large number of hired workers. Frequently these farms experience difficulty in obtaining an adequate supply of competent labor. This group, representing less than 2 percent of all farms, normally receives approximately 22 percent of the total gross agricultural income. A large proportion of these farms are livestock ranches and farms engaged in specialized production.

At the other extreme are about 43 percent (or over 2.5 million) of our farms, which are too small to yield a satisfactory level of living as they are now operated, unless there is additional income from other sources. Many operators of small farms are employed part of the time in industry, or are advanced in years and have savings or income from some other source. The farms in these cases need only to supplement other sources of income. *Many farms of insufficient size to be developed into family-sized farm units should be combined with other land to form economic units unless off-farm employment can be made available to supplement adequately the farm income.*

Another aspect of farming has developed rapidly in recent years. Improved roads and better transportation has made it possible for many farm folk to increase their income by working off of the farm, in factories, mines, and forests. In addition, many urban workers have moved to the country to supplement their income with home-grown food and occasional sales of produce grown in excess of family needs. These developments are desirable, provided the off-farm employment gives reasonable stability of income and the local environment is good for rearing a family. Education, health, and recreation facilities should meet acceptable standards.

Operators of about 1,000,000 small farms, or about one-sixth of all farms, however, are not fully employed; they have too little income for a satisfactory living and have little opportunity under present conditions of securing more adequate income from the land they operate. This group of farm people present one of the most serious problems in rural America. Production on these farms is largely for home consumption; continued cropping is further exhausting low-pro-

ducing land; the families are poorly fed, housed, and clothed; infant mortality, disease, and sickness are high; and physical vigor is low. As a consequence, the farms and the farm families are poorly equipped to compete with the rest of society for those things essential to the American standard of living.

Government programs of production adjustment, price supports, soil conservation, rural electrification, farm credit and research and education have not met the fundamental needs of these subsistence farmers. The problems on these farms are of major importance to society, for the birth rate is high, and the large number of children who later migrate to urban centers may be neither physically nor mentally developed to their capacity and may not be technically trained to become useful citizens. Adapted health and educational programs suited to these conditions need to be expanded. The possibilities of introducing local industry to provide off-farm employment in these areas should be thoroughly investigated by the Government and appropriate action taken. Encouragement should be given to the consolidation of these under-sized units into efficient farms, and the displaced families should be assisted in finding productive employment elsewhere. On the other hand, many small farms may be made profitable family-sized units by adapting the type of operation to the land available.

The American ideal that the family should own the farm it operates has not been attained. In many of the best farming regions of the Middle West, where the size of most units conform to the family-farm pattern, less than half of the farm operators own their own farms. About one-third of the tenants in such areas, however, are related to the owners, which usually gives a high degree of security. Many tenants, however, do not know until late in the crop year whether they will operate the same farm for the next year. This insecurity does not contribute to good systems of farming or to good community and family life. Greater security for tenants would encourage development of the best types of operation which call for soil conservation, diversification, and efficient use of capital and equipment. Greater security is also needed if tenant families are to participate fully in community activities and support local economic, educational, fraternal, or religious institutions.

An important means of strengthening the family-sized farms is through the improvement of rural homes. Rural housing has always lagged behind urban housing because of the lack of public utilities available to urban communities, because of low income, and because of the absence of an effective public rural-housing program. Census data indicate that only 30 percent of our farm homes have running water; one-third of them are in need of major repairs, while another third needed to be replaced rather than spend money on their repair. This situation will merit special consideration as construction costs become reduced and as more skilled workers become available.

Rural housing may be improved greatly through expansion in the use of electricity. Many labor-saving devices can be made available to the farm housewife with the introduction of electricity; in addition, improved lighting and heating contribute directly to improved health conditions. Adapted electrification facilities should be extended, as rapidly as economically feasible, to rural electrical cooperatives or to individual farmers at a reasonable cost that permits sound

amortization of the investment. In sparsely settled rural areas, however, the cost of electrical service is excessive. Modern technology, in the near future, may make such service available most economically through the use of home generating units. Research should be undertaken to develop the needed facilities.

Since all of the large-scale farms and many of the larger family farms depend heavily upon hired workers, a large segment of the rural population is employed as farm laborers. Modern farms, which use highly developed machinery and much hand labor in the efficient production of farm products, require an adequate supply of efficient laborers. Until recently the abundant supply of farm labor made it possible for most farmers to recruit needed labor with but little difficulty. With the migration of farm people to industrial employment during the war, however, the available supply of farm labor in some areas became inadequate; whereas in other areas many farm people continue to be underemployed. Emphasis needs to be placed upon the effective use of the labor supply through publicly sponsored placement and guidance service. The supply of rural labor can be increased by providing full-time employment, improved health and living conditions, better educational facilities, and social-security advantages comparable with those provided in urban areas.

Inflated land prices present one of the major threats to stable ownership of family farms. Burdensome farm mortgages, leading to bankruptcy and foreclosure during the recession that followed World War I must be remembered by all. A repetition of the same type of distress within the near future is possible. While land values and debts have not increased so rapidly as they did during and following the First World War, indications are that present inflationary trends may lead to serious consequences. Federal and private credit agencies have a heavy responsibility to refrain from making excessive loans.

Government programs should be directed toward increasing and stabilizing the ownership of family farms, improving the agreements between landlords and tenants, and bettering the conditions under which farm laborers live and work. Farm credit is the most powerful tool used in recent years to increase and stabilize farm home ownership. This device is of such importance that it is given special attention in a separate section. Social-security provisions for farm families are likewise covered elsewhere.

As a national policy, the family farm needs to be strengthened by giving more attention to the conditions under which the operator, whether an owner or a tenant, holds his land. Good farming and good living, with all that these terms imply concerning soil conservation, home life, and community development, require security and stability for the farm family. Better landlord-tenant relations are necessary to make tenant-operated farms approach owner-operated farms in effectiveness. The owner-operator of a family farm needs credit facilities adapted to agricultural conditions, but must continue to take major responsibility by exercising good judgment in assuming debts. In addition, much remains to be accomplished in meeting the problems on the small subsistence farms and the needs of farm labor, as they apply to strengthening family farms, to developing a wholesome rural life, and to facilitating their becoming owners of farms. Education, research, and legislation have important roles to play in meeting these needs.

7. A LABOR SUPPLY ADEQUATE FOR ABUNDANT AGRICULTURAL PRODUCTION REQUIRES IMPROVED LABOR-PLACEMENT FACILITIES, ACCIDENT PREVENTION, AND SOCIAL-SECURITY SERVICES ADAPTED TO AND AVAILABLE FOR RURAL USE

Most of the labor required on typical American farms is furnished by the farmer and members of his family. Many family farms, however, as well as those that are larger employ some labor. On family-sized farms the equivalent of two men can work together advantageously in doing most types of farm work. Even where considerable family labor is available many farms require additional labor at certain seasons of the year. Because of the seasonal character of many farm operations, an adequate labor supply is necessary at critical seasons for harvesting most crops, but particularly perishable crops. Also, with the development of more complicated farm machinery and mechanical power a high grade of farm labor becomes more important to the farmer. Production on certain types of farms, particularly dairy farms, is dictated by natural processes which require that labor must be done over a long day. This makes it difficult to retain farm labor in competition with short hours of work in the cities. Hence, most regions of the country have definite labor problems.

The seasonal character of many phases of agricultural production requires variable quantities of labor in practically every region. In times of heavy national employment, all farm labor and especially seasonal labor is difficult to obtain. Among the farm tasks that require seasonal labor are the harvesting of canning crops, harvesting of many kinds of fruits and vegetables, detasselling hybrid seed corn, tending and harvesting sugar beets, and planting and harvesting other crops such as wheat and tobacco.

Because of the scarcity of labor during the war, laborers from Jamaica and Mexico were imported for such work, prisoners of war were used, and campaigns to get city workers to help perform the work during vacation periods helped to meet the situation. The acute labor situation was well handled in the emergency under the Farm Labor Act of 1943, administered through the Agricultural Extension Service. This program passed out of existence December 31, 1947, and was given an additional month to close out its operations. Responsibility for the farm-labor work in 1948 went to the Department of Labor to be handled through local employment service offices of that Department.

Farmers are confronted with a growing problem of obtaining an adequate supply of high-grade labor because of full-employment conditions in cities, the higher pay schedule, and the greater security afforded industrial workers. Farm labor needed for abundant production will remain a critical problem in periods of full labor employment. It is doubtful whether information supplied through the present facilities of State and local employment service offices will prove adequate to meet farmer needs in many areas during the present period of heavy urban employment. *A well-developed farm labor service is essential for the orderly and economical handling of farm production.*

Contrary to the generally accepted idea, farming is one of the most hazardous occupations. Serious accidents have become more numer-

ous as mechanical power and complicated machinery have become more prevalent. Many of the mechanical safeguards commonly accepted or legally required in industrial employment have not been introduced into agriculture. In addition, State laws vary greatly in the responsibility of farm operators for injury incurred by their helpers. In fact, the cost of adequately reimbursing laborers for injuries frequently falls more heavily on the farm operator than he can afford without some adequate form of accident insurance.

This entire problem is of such consequence that it needs to be approached on a broad front. Five programs merit increased attention: (1) *An extensive research program into the causes of farm accidents and means of reducing them;* (2) *an education program to place this information in the hands of farm people;* (3) *effective programs to reduce personal hazards in farm production;* (4) *a sound program to provide compensation for injury;* and (5) *work with farm machinery manufacturers in designing machinery and providing safety devices to reduce accidents.* Improved State laws should encourage or require more adequate accident insurance for farm workers. Failure to supply more adequate protection to farm laborers will cause many of the best workers to seek employment under conditions affording better protection from accidents.

Health services, accident insurance, unemployment insurance, and old-age benefits which are provided in many urban forms of employment are making it increasingly difficult to hold good farm workers in rural areas, where there are no such advantages. Farm people may find it to their own advantage to provide social-security legislation on a basis comparable to the benefits accorded urban groups in order that a good grade of hired labor will be attracted to farm employment. Another argument advanced for extending these benefits to agriculture is that the social security provided urban workers is paid for by those who buy the products of industry. Hence, farm people are helping to pay for the social security of urban workers, without obtaining like advantages for themselves and those who serve them in rural areas. The evidence indicates that *the benefits of social security legislation should be extended to farm people on a basis comparable with the benefits accorded similar urban groups.*

8. AGRICULTURAL PROGRESS IS DEPENDENT UPON INCREASING PRODUCTION PER WORKER THROUGH CONTINUED ADVANCEMENT IN AGRICULTURAL TECHNOLOGY AND SCIENCE BASED UPON EXPANDED RESEARCH, EXPERIMENTATION, EDUCATION, AND DEMONSTRATION

In many countries 70 to 90 percent of the people are engaged in agricultural production. Except for favorable foreign trade, this means a low level of consumption generally, for relatively few people are available to manufacture useful goods and render needed services which are essential to a high level of living. By way of contrast, in the United States only 18 percent of the population are engaged in producing farm products for our own needs and for export.

During the past century and a half the workers engaged in agriculture in the United States have been reduced from 9 out of 10 to less than 2 in 10 of those gainfully employed, thus releasing four-fifths of all workers for urban employment. The rapid reduction in the pro-

portion of workers engaged in primary food production, while the output of food is increasing, has been a major factor in establishing the industrial supremacy of our country and has been a strong force in advancing the level of living for all of our people. Each advance in the science and technique of agricultural production and marketing, which leads either to a larger output per worker or to a lower cost per unit of product, benefits society by releasing more workers for other employment and by providing food for the consumer at a reasonable cost. Since levels of living are determined directly by the amount of economic goods available per person, increased efficiency in agriculture benefits all people.

Over the past 50 years, covering the period of marked improvement in the science and technique of farm production, output per farm worker has about doubled. Contributing to this advance in efficiency have been improved varieties of crops and breeds of livestock, better control over plant and animal diseases and insects, improved facilities and methods of marketing, use of better fertilizers, more effective feeding methods, adaptation of more efficient farm equipment, and better internal organization of farms. These advances in agricultural efficiency have resulted mainly from research and experimentation by the State agricultural experiment stations, the United States Department of Agriculture, and private commercial agencies.

An analysis of the advancement that has been made and an evaluation of current technical progress indicate that increased output per worker in agriculture can continue for some time. The present rate of progress cannot be maintained, however, by extending production to new land areas. *Continued research and experimentation on an expanding basis are essential to maintain the rapid progress in agricultural production which has characterized the last half century.*

A careful examination of the content and administration of publicly sponsored agricultural research at various levels is needed to distinguish those phases of research best adapted to supervision at national, regional, and State levels, and to discover the type of organization most likely to accomplish effectively the objectives of the research. Also, the basic differences between the organization and operation of research and action agencies need to be examined in the light of the fundamental requirements of good agricultural research. Research needs to be sound and unbiased. Strictly analytical methods should be used in arriving at facts and findings.

It seems clear that action agencies, with definite programs to administer, should in no respect be responsible for research conclusions as to the effectiveness of their own accomplishments. Those directly responsible for basic research and those concerned with the administration of action programs should be independent, and responsible only to the top officials in either State or National agricultural administration. Research workers should never be placed in a position in which they can be accused of letting the stated objectives of a program and its administration confuse and bias the analysis of the accomplishments of that program. The way to avoid such criticism is to separate the administration of research and action programs. Administration of research and action programs can be kept coordi-

nated advantageously under the chief administrator, but separate administration of the two widely different activities is essential to best achievements. *The dynamic nature of American agriculture requires careful organization and continuous adjustments within the Federal Department of Agriculture and the several State agricultural agencies to insure the economical and effective administration of a sound long-range agricultural policy.*

The application of newly found scientific principles and technical improvements in agriculture has been accelerated greatly by the educational work of the State agricultural colleges, the Extension Service, and other educational agencies, and by actual demonstrations of the improved methods by cooperating farmers. The evidence seems clear that *rural adult education, through the medium of the Agricultural Extension Service, pertaining to agricultural production and marketing, and improved rural leadership and rural living has proved a marked success and needs further expansion and financial aid. Also, the 4-H boys' and girls' clubs have helped to develop rural leadership in a way that merits added support for the expansion of these activities.* A further need is the better coordination of the youth and adult educational endeavors of the Extension Service, Smith-Hughes high schools, GI training courses, and elementary rural schools as a means of securing continuity of effective effort in developing a better rural life.

While farm people are now adopting new production techniques and are improving farm practices more readily than at any time in the past, there remains a major task of teaching and demonstrating new or improved farm and home methods to rural youth and adult farmers as they are developed. The Extension Service was organized to do this work and has demonstrated that it is qualified to do the job, for it has carried successfully heavy responsibility both in the last depression recovery program and in the recent wartime food-production program, in addition to its normal educational and demonstrational programs.

A more adequate service of direct help to the farmer and of indirect aid to the consumer can be rendered through expanded financial support of agricultural research, experimental, teaching and demonstrating agencies. The more effective operation of these agencies to accomplish their stated purpose is of prime importance. The individual farmer needs to have all useful farm information well organized and effectively presented to help him achieve the best possible organization and operation of his farm while at the same time it is making possible a fuller and more satisfying rural life.

The widespread criticism by farm people to the effect that various existing agencies are carrying on duplicating services, that advice to farmers frequently does not meet local needs, that recommendations of the several agencies frequently differ, that some agencies disregard or oppose other agencies, and that recommendations frequently do not recognize the farmer's financial situation are potent arguments for more effective coordination of all agencies at local, State, and National levels. Lack of proper coordination is more obvious and gives rise to more problems as the programs get closer to the farmer affected. Therefore, better coordination at the community and county level is essential to meeting these criticisms and requirements. Indeed, the

effective coordination at all levels of the activities of all agencies serving the American farmer is needed in order that the information and guidance reaching him may help effectuate the agreed-upon long-range agricultural policy. *Since the Extension Service has carried major responsibility for organizing educational, demonstrational, and technical service programs, it should be regarded as the medium for reaching farm people, cooperating with other agencies under appropriate circumstances.*

9. FEDERAL, STATE, AND LOCAL AGRICULTURAL PROGRAMS SHOULD ENCOURAGE AND DEVELOP FULL FARMER PARTICIPATION IN PLANNING AND ADMINISTERING PRODUCTION OPERATIONS, MARKETING PROGRAMS, AND SERVICE ACTIVITIES

Long-term agricultural policies and programs to effectuate these policies must develop farmer support on a broad basis if they are to accomplish marked and permanent improvement in local farming conditions. This support can be obtained best through active participation of farmers at the local level in the development and administration of all phases of publicly sponsored programs for the benefit of agriculture. Criticism of various aspects of our agricultural programs have arisen out of faulty administration at all levels, procedures, and regulations that are impractical for one reason or another, and poor adaptation to local conditions.

Part of the local criticism of action programs, however, arises from the farmer's dislike for administrative controls and more especially from penalties for not following regulations associated with production-adjustment, price-support, and soil-conservation programs. Testimony of farmers indicates that a majority of them want freedom of operation, but do not appreciate fully the necessity of regulations in carrying out the benefits granted them at public cost. A fact which should be recognized, however, is that many programs for the benefit of agriculture cannot be made effective unless farmers are prepared to submit to production and marketing regulations.

Local faith in a program is essential if it is to command the support of the most substantial citizens of the community. Also, local support of a program requires that operating farmers have an effective voice in program planning and in program administration. The agriculture of the United States is so diverse that no over-all program will apply equally well in all regions, states, and local areas. Local farmers who are chosen for their standing in the community and are supported by the research findings of the State Agriculture Experiment Station are likely to administer available public funds in a way that will bring the largest returns for the funds expended.

Since the ultimate success of any action program depends heavily upon administration and operation at the local level, greater responsibility for agricultural action programs should be placed upon farmers. Farm people are demonstrating their administrative ability in handling their own business and their cooperative institutions. The evidence indicates that greater responsibility for agricultural action programs should be placed upon democratically elected farmer committees at the community, county, and state levels to carry major responsibility in formulating and administering local action and serv-

ice programs. These committees should be charged with the responsibility of choosing workers to carry out all programs under their direction. There is a sound basis for this type of participation in the experience of farmer cooperative organizations which have operated successfully throughout the country. Their experience clearly supports the plan of having a farmer-elected executive committee to lay down administrative policy and to employ the personnel necessary to perform the services required by the program. This plan would provide for no duplication in the persons serving in the administrative capacity and those employed to carry out the operations.

10. FEDERAL CREDIT FACILITIES FOR AGRICULTURE SHOULD BE KEPT ADJUSTED CURRENTLY TO THE SOUND CREDIT REQUIREMENTS OF FARMERS AND FARM INSTITUTIONS

The financial organization and the credit needs of agriculture, our largest single industry, differ markedly from other major industries. Made up of about 6,000,000 separately organized and managed business units, agriculture is a collection of small enterprises. The 50 percent of our farms that produce about 90 percent of the total marketed farm products have a relatively large investment per worker in land, buildings, and operation capital. This is due to the large amount of land, storage space, livestock, and equipment needed to employ effectively the time of the farm family. Furthermore, the family residence is essentially part of the farm business and, as a consequence, adds to the total capital investment.

Another characteristic is that the capital is not furnished by a large number of stockholders as is done in corporate enterprise. The owner and operator of a farm, whether the same person or two persons, normally furnish all of the land, capital, and management. Usually, most of the labor required to operate the farm is also furnished by the farmer as personal and family labor. This concentration of responsibility makes the full weight of success or failure rest with one or two individuals, and the full risk is usually also carried by the same person. Few farmers are able to supply all of the cash with which to buy and operate a farm. The characteristic way for a farmer to become an owner is to borrow a large part of the purchase price of the farm and then to produce as large a volume of produce as possible, and as efficiently as possible, to pay off the debt. Since the farmer must meet fixed charges of interest and amortization of his debt, and since the use of his land, labor, and equipment is the only means of meeting his financial obligations, he is inclined to produce to capacity regardless of the price he receives for his products.

Another situation that places the farmer in a peculiar credit position is the continuous process of farming; the planting of crops and production of livestock begin long before the products are ready for market. Business conditions, demand, and prices may change considerably during this long period of production. Furthermore, many farm products must be marketed quite promptly. All of these conditions affect the kind of credit the farmers need, and the role of Government in filling these needs. *Existing Federal and private credit agencies should adapt their facilities to provide needed credit on a long-term basis for increasing soil conservation, expanding farm improvements, modernizing rural homes, developing forests, and expediting the consolidation of under-sized farms.*

Because of their highly vulnerable position, with large financial responsibilities and uncertain income, farmers in depressed times face financial ruin. Frequently, they have been the victims either of unscrupulous creditors or of creditors who have not understood fully the farmer's peculiar financial position and how essential his solvency is to the national welfare. This situation led to the establishment of cooperative credit for farmers; likewise, it has encouraged the organization of farm business cooperatives to provide better facilities for marketing farm products. Thirty years of cooperative credit experience serves as an excellent basis for study and recommendation. Furthermore, the competition and example furnished by these agencies have had a wholesome effect upon credit facilities now furnished agriculture by individuals and private lending institutions.

Recent good prices and several years of high annual production have enabled farmers to make substantial progress in debt reduction. However, there is evidence that with current high prices for farm products continuing for several years after the end of the recent war, serious inflation in land values may result. Publicly sponsored credit should help avoid another period of such financial distress as fell so disastrously upon indebted farmers from 1920 to 1935. As to private credit, investors are tending to compete for farm loans by offering funds at a higher proportion of the normal value of the farm. Individuals lacking other investment opportunities should help safeguard the farmer's and their own financial position by offering only prudent loans.

The experience of recent years suggests desirable safeguards for both lenders and borrowers, if financial distress develops. In the past unnecessary difficulties were caused by hasty foreclosure action on the part of creditors when loans became delinquent. Many excellent farm operators were forced to leave their farms, which deteriorated in the hands of insecure tenants who felt that they could not put forth their best effort when the farm was likely to be sold at any time. Frequently, creditors had to pay the costs of foreclosure and later resold the farms at a loss. Other creditors wisely let good farmers retain ownership during the period of distress as long as they paid on the debt the customary landlord's share of the farm's income. Such debtors generally reestablished a sound credit position more quickly than the creditor could have foreclosed the property and sold it without loss. Experiences of this type should be studied thoroughly with the end in view of adapting them to future use, should farm loans again become distressed on a large scale.

The credit needs of farmers can be served more adequately through the further development of a well-coordinated administration of all federally sponsored services of agricultural credit. To this end, the Federal Government should examine carefully the farm mortgage experience of both the Farm Credit Administration and the Farmers Home Administration. The present sound position of the Federal land banks and the Federal Farm Mortgage Corporation is due in no small measure to the farm prosperity of the war years but, in addition, sound procedures were developed which should serve as a guide in future emergencies.

The Farmers Home Administration shows a good record of repayment on farm mortgage debts made for the full value of the properties when purchased. One reason for this success was that farm

purchases were made at a time when real-estate values were low and to the period of prosperity during and subsequent to the recent war. The Federal experience in aiding tenants to purchase farms should be used as a basis for developing improved plans of extending credit to worthy young farmers to buy economic-sized farms at sound long-time values. Continued prosperity tends to lead to unwarranted farm loan expansion on values which cannot be sustained from farm earnings comparable to those of prewar years.

The Federal Farm Mortgage Corporation set up to help handle distressed farm loans has acquired, through good administration and the upward trend in farm prices, a surplus of \$133,000,000. This reserve could well be used as an insurance fund in the event of future distress. Part of the function of this fund might be to insure loans of progressive young farmers who have demonstrated their ability and thrift through the accumulation of 20 to 35 percent of the cost of a farm. The reserve fund per loan should be on an actuarial basis that would protect the loan until it is reduced to the amount that the Federal land bank could accept before the loan is transferable to another creditor.

Present practice permits a "blind spot" in federally sponsored farm loan credit. The Farm Credit Administration is limited to loans not exceeding 65 percent of the long-time value of farms. The Farmers Home Administration makes most of its direct loans at 100 percent of the long-time value of the farm; it is also insuring loans for 90 percent of their long-time value. Between the 65- and 90-percent loans is a field that needs attention, at least under normal conditions and especially when land prices are depressed. Some of the best prospective farm-owner operators are young men who have saved from 10 to 35 percent of the necessary capital to buy farms. With present continued advances in land prices and the future uncertainty of land values, it would seem prudent to restrict direct farm loans of the Government agencies to men who are able to pay 20 percent or more of the purchase price of farms, with the borrowers carefully selected as to the credit risk involved. Such a restriction would safeguard present programs for future use when land values recede and more liberal loans are warranted.

The foregoing discussion is intended to point out that Federal farm loans either should be based upon "normal" or "long-time" land values or should be carefully regulated to expand credit in times of low land prices and to contract credit during periods of inflation.

Marked progress has been made in recent years in the retirement of Government capital extended to federally sponsored farmer credit institutions. The Federal land banks have returned all of the capital supplied by the Government, and are now completely farmer-owned. This is in accord with the original policy objective; it also meets the widespread desire that farmers have expressed repeatedly for a greater voice in the administration of their service institutions and action programs. The present laws that govern the banks for cooperatives, however, do not provide an effective method whereby the banks will eventually become owned by the borrowing farm cooperatives. Maintenance of a strong credit service for farm cooperatives, unhampered by short-term appropriations and political consideration

would be helpful in the continuation and expansion of needed farm cooperatives. The cooperative leaders are practically unanimous in the desire that arrangements be made immediately whereby the banks for cooperatives eventually can return to the Treasury all of the capital extended by the Federal Government, thus making these banks wholly farmer-owned.

11. THE RIGHT OF FARMERS TO ORGANIZE MARKETING, PURCHASING, AND SERVICE COOPERATIVES UNDER EXISTING COOPERATIVE LAW NEEDS TO BE SAFEGUARDED

The need for farmer cooperatives for the most part grew out of the small size of the individual farm business and the large size of the firms with which the farmer buys and sells. The need still persists. The farmer, who provides most of the labor to operate his farm, cannot afford to spend much time to become skilled in selling his product and in purchasing supplies. Indeed, infrequent transactions make difficult the development of proficiency by the farmer in buying and selling. Also the farmer's products are generally sold in odd amounts which need to be combined with those of other farmers for economical shipping. Likewise, his purchases are in small lots that can be made most effectively when combined with those of other farmers. As a consequence, in local areas where production is scattered over many farms, dealers who lack local competition are inclined frequently to take advantage of their opportunity to buy at a low price the things that the farmer has to sell and to sell at a high price the things that the farmer buys.

Farm business and service cooperatives have grown rapidly in numbers and volume of activity. They have been the means of bringing improved and new services to farm people. The cooperative assembling, grading, processing, packing, and shipping have enabled farmers to place uniform products on the market in sufficient quantities and in sufficiently standardized grades to be marketed to advantage. The cooperative purchase of fuel, oil, fertilizer, seed, feed, and other supplies in large quantity, frequently delivered to farms, has helped provide products of known quality at a saving in time and expense to the farmer.

The cooperative purchase of heavy and costly machinery for hire to members has provided equipment that the individual farmer could not afford to own and which frequently was not available to him in any other way. Cooperation in the field of farm credit has not only made credit available to members on better terms, but the competition of cooperative credit agencies has made credit available from other sources on more favorable terms than would otherwise have been the case. *Every effort should be made to expand the use of farmer-owned and farmer-controlled cooperatives where they can provide needed services at reasonable cost.*

Cooperative effort generally has not displaced private businessmen who deal in farm products or farm supplies. Farm cooperative business organizations, however, have played an important role in providing competition for private businessmen. This has stimulated private firms to render more efficient service at a reasonable cost to rural areas. The advantages of farmer cooperatives frequently have been

in the field of improved service or quality of products as much as in the actual gain in higher prices for products sold or savings in purchases.

Much of the current criticism to the effect that cooperatives should be taxed more heavily is in reality an attack against cooperatives as such by competing businesses rather than a criticism based upon the merits of the problem. The patronage dividends paid to farmers for savings made through cooperative marketing do not escape taxation, for the individual farmers must pay income taxes upon them. The tax loss to the Government is not great, and insofar as this loss is of concern, it should be noted that funds returned to members in the form of patronage dividends are not the property of the cooperatives but are part of the sales price or savings on the purchase price of individual transactions. In addition, the total amount of patronage dividends of farmer cooperatives is not large compared with the widespread purchase of supplies by employees of industry from the same or related corporations at wholesale prices on which the corporations pay no tax because of lack of profit from the transactions.

12. THE SERVICES OF NATIONAL AND STATE AGRICULTURAL AGENCIES NEED TO BE KEPT ADJUSTED TO THE LEGITIMATE AND CHANGING REQUIREMENTS OF AGRICULTURE

The early emphasis placed upon agricultural research and education has been a major factor in the development of our highly efficient agriculture. Now that we have exploited our soil and other natural resources for many years, agricultural progress depends increasingly upon basic research and the adaptation of research findings to the production and marketing of farm products. *The State agricultural experiment stations and the research agencies of the United States Department of Agriculture have contributed to solving many agricultural problems in the interest of an abundant, low-cost food supply. The research and educational work of these agencies should be substantially increased.*

In the past major emphasis has been placed upon research pertaining to the more efficient production of farm products. *Production research should be continued, but marketing and distribution research needs to be expanded in regard to consumer wants, maintenance of uniform grades and standards of farm products, and reduction in costs of distribution in order to provide consumers with improved diets at reasonable prices.*

A policy of abundant production makes it increasingly necessary that provisions be developed for removing any burdensome supplies of farm products that may accumulate because of abnormally large yields or widespread underconsumption. *Research should be carefully designed and expanded to discover additional methods of processing agricultural products and to establish desirable new or to improve old uses for food, feed, and fiber crops when supply exceeds the quantity required to meet customary uses.*

As agricultural research work has expanded and become more complex, the increased danger of duplication of effort among the various agencies has been observed. With increased emphasis being placed areas. The advantages of farmer cooperatives frequently have been

marketing and distribution problems, greater need arises for closer cooperation among the State experiment stations and with the United States Department of Agriculture and other agencies. Considerable progress has been made in recent years in the coordination of research among the State agricultural experiment stations and with the Department of Agriculture through the actual cooperative effort in studying problems common to several States and in the publication of research findings. This coordination of research effort needs to be continued, for it not only avoids duplication but has the advantage of pooling available research resources in a way that stimulates research workers and improves the quality of research. Cooperative regional research has reduced duplication, and has increased the effectiveness of the whole research program.

One of the criticisms frequently made of some of the agricultural action programs is that they have not been based upon the best available research information and that they have not always been well adapted to local needs. This requires a better coordination between research workers and action agencies in utilizing established research information. *Therefore, competent personnel from the State agricultural experiment stations should be included in developing agricultural programs affecting the agriculture of the several States in order to insure the full use of research findings pertaining to the programs.*

Another means of keeping National and State agricultural activities adjusted to the needs of the farmer is the coordination of all legislation that affects the farmer, so it will be neither contradictory nor overlapping. Although the division of responsibility between the various levels of government is not well defined, many phases of long-range agricultural policy are the responsibility of the several States. This division of responsibility requires that the Federal and State governments work as a team in developing sound long-range agricultural programs.

Many of the Federal action programs designed to improve agriculture depend primarily upon the use of the spending power of the Federal Government. The funds are expended either directly or as grants-in-aid to the States and local units of government. The expenditure of these funds can be made more effective if State laws and action programs support the desired action. A good illustration is the coordination of Federal and State programs in the field of forest conservation and development. Illustrative of the forestry programs that require close coordination are research activities, public purchase programs, fire control, selective cutting, and regulating the uses of forest land including grazing, wildlife, and recreation. Another illustration is the use of the police power to effectuate good land use. For example, rural zoning ordinances to prevent exploitative land use and to guide settlement in selected areas are within State jurisdiction. Also, closer coordination between the soil conservation districts established under State enabling legislation and the Federal incentive payment program should yield high dividends.

Among the other areas of State action which, in many States, would support the Federal programs designed to carry out a sound long-range policy for agriculture are:

1. Codification and improvement of State water laws where irrigation and drainage are essential.
2. Adjustments in farm tenancy laws to improve the tenancy system.
3. Improvements in local tax laws to equalize and reduce the tax burdens on farm real estate.
4. Changes in laws to bring about more effective management and development of State- and county-owned land.
5. Expansion of State purchase of marginal arable lands for grazing and forestry.
6. Changes in laws that would make for better health, improved schools, better farm-to-market roads, and more efficient and effective administration of local government.

No long-range Federal policy or programs for the improvement of American agriculture can be most effective without the legislative support and the full cooperation of State and local governments.

LEGISLATIVE OBJECTIVES

The testimony presented to the subcommittee and its interpretation of a sound long-range policy and program for American agriculture require comprehensive legislation. Much of the required law now exists, but considerable new legislation is needed to provide the authority to assure an adequate production of farm products, preservation of our agricultural resources, and a high level of rural well-being.

Among the major objectives which should be included in a well-rounded legislative program for agriculture are:

1. To assure an abundant production of all agricultural products required to provide for the improved nutrition and clothing of all of our people.

2. To develop a means of maintaining agricultural income on a flexible parity basis that will foster desirable shifts in agricultural production and will aid in giving stability to the national economy.

3. To improve the marketing, facilitate the distribution, and increase the utilization of agricultural commodities in both the domestic and export markets.

4. To regulate interstate and foreign commerce in major farm products by providing an orderly, adequate, and balanced trade in such commodities through crop loans, production quotas, marketing agreements, and diversion to various economic uses.

5. To encourage producers, processors, distributors, and consumers to enter into joint marketing agreements designed to assure adequate supplies of selected farm products at a reasonable and assured price.

6. To assist all consumers in obtaining an adequate and steady supply of high-quality farm products at fair and equitable prices.

7. To assist school children and low-income people in maintaining an adequate diet, particularly in periods of low employment and underconsumption.

8. To assign certain revenues for judicious use in supporting prices of highly perishable products including fresh fruits and vegetables, milk, and eggs; in improving the diet of school children and low-income families; and in stimulating improved nutrition on a cost basis.

9. To attain full cooperation and coordinated action of farm owners and operators in conserving, restoring, and developing our soil, water, and forest resources.

10. To provide more adequately for the coordination and expansion of Federal and State soil surveys and other investigations, and for experimentation and research pertaining to the conservation, restoration, and development of our natural agricultural resources.

11. To provide for making incentive payments to farmers for lasting soil-conservation, restoration, and development practices.

12. To develop agricultural programs so they will contribute insofar as possible to the preservation of all natural resources, control of floods, prevention of impairment to reservoirs, maintenance of the navigability of rivers and harbors, and protection of the public health.

13. To provide for the fullest development and the most efficient employment of our rural human resources.

14. To provide social security, especially health insurance and old-age benefits, for rural people on a basis comparable to that provided urban groups.

15. To develop a program for the reduction of occupational hazards and accidents among farm workers, and to provide protection and security for those who are physically handicapped through farm accidents.

16. To provide more fully for adult education by strengthening the Extension Service as the recognized educational and demonstrational medium for reaching farm people and others in regard to agricultural information, policies, and programs.

17. To provide for the development of farmer leadership in helping to plan and administer programs for the maintenance of a progressive agriculture.

18. To provide for the adaptation of agricultural programs to the different and changing needs of regional and local communities.

19. To make more effective the various research activities sponsored by the Federal Government by providing for the separate administration of action programs and research work.

20. To facilitate farm home ownership by farm operators through improving and safeguarding the federally sponsored credit services available to farm operators.

21. To maintain and strengthen the position of farmer cooperatives and to protect the services they render to agricultural producers.

The subcommittee, while fully recognizing that legislation covering many of the above points is already on the statute books, recommends that the Congress proceed to consider and enact legislation immediately to round out a coordinated, well-balanced program for agriculture.

APPENDIX

REDEFINING PARITY FOR AGRICULTURE

Widespread interest in the parity-for-agriculture concept demands that some aspects of the subject be reviewed critically. The theory of parity for agriculture is that the price of the things the farmer sells should give him a purchasing power equivalent to the cost of the articles he buys. The two aspects of the parity concept that were discussed most during the hearings are the parity-price concept as applied to individual farm commodities which is used at present as the basis for the price supports or other price-raising devices for a particular commodity, and the parity-income concept which may be used to show the economic relationship of agriculture to the other segments of our national economy.

The parity of income concept has been overlooked, to a considerable extent, in current agricultural programs. The attempt to support farm income has been limited to supporting the price of individual commodities with little reference to the size of the crop or the supply, which may be either far above or much below a normal production. Obtaining parity prices for farm products by reducing farm production or as a result of low yields does not maintain the farmer's income. Nor does either of these means furnish the consumer with an abundant production. On the other hand, maintaining parity prices when larger than average farm yield or production is obtained results in larger than normal income. Furthermore, the combination of high yields and high prices may lead to the accumulation of surplus or burdensome supplies. If the Government attempts to maintain high prices under these conditions, an undue financial burden is placed upon the Government.

HOW PARITY PRICES ARE DETERMINED

The original definition of parity in the Agricultural Adjustment Act of 1933 declared that it was the policy of Congress, among other things, to—

reestablish prices to farmers at a level that will give agricultural commodities a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of agricultural commodities in the base period.

This formula has been amended and reenacted several times, but it has not been changed essentially. The Agricultural Adjustment Act of 1938, however, specifically states the policy that an intent of the Act is to assist—

* * * farmers to obtain, insofar as practicable, parity prices for such commodities and parity of income, and assisting consumers to obtain an adequate and steady supply of such commodities at fair prices.

The fact that the Agricultural Adjustment Act of 1938 mentions both parity prices and parity income makes it desirable to examine the

present use of parity to determine its soundness under present conditions.

The steps or methods used in calculating parity prices for agricultural commodities at the present time are:

(1) A base price is determined by averaging the prices received by farmers for the 60 months beginning August 1909 and ending July 1914. The average price of cotton during this period, for example, was 12.4 cents a pound, while corn averaged 64.2 cents a bushel, and wheat averaged 88.4 cents a bushel. The base prices for tobacco and for a considerable number of fruits and vegetables, including potatoes, are usually averages of the season average prices for the marketing seasons falling within the 120 months, August 1919 to July 1929, or the 60 months, August 1934 to July 1939.

(2) An index of prices paid is calculated. To begin with, the prices of 83 items used in family living and 94 items used in farm production are collected. These items include clothing; household supplies; food; furniture and furnishings; building materials; automobiles; trucks and tractors; feed; farm machinery; fertilizer; equipment and supplies, including gas, oil, and tires; and seed. The estimated quantity of each commodity bought by farmers is used to combine these prices into an index. Allowances for taxes and mortgage interest payable per acre on farm real estate are also included. This procedure gives an over-all index of prices paid, interest, and taxes, which is published each month. If this index, for example, is 200 (as in September of 1946), it means that farm commodity prices need to be 200 percent of the prices prevailing in 1909-14 in order that they might have the same purchasing power per unit as in 1909-14.

(3) The base prices are adjusted by the index of prices paid, interest, and taxes or by the index of prices paid in case of the base period is other than 1909-14. Using September 1946 as an example of the procedure, the parity price for cotton was two times 12.4 cents or 24.80 cents a pound. The parity price for corn was two times 64.2 cents or 128 cents a bushel, and the parity price for wheat was two times 88.4 cents or 177 cents a bushel. The parity price of potatoes, however, which is calculated from the base August 1919 to July 1929=100 was 1.31 times \$1.12 a bushel or \$1.47 per bushel since the index of Prices Paid was 131 as of September 15, 1946 (base August 1919 to July 1929=100). The September index of 200 was selected to illustrate the method of computation of parity prices.

A COMPARISON OF THE PARITY PRICE AND PARITY INCOME CONCEPTS

In carrying out the Agricultural Adjustment Act of 1938 the various programs have been built almost entirely upon the parity-of-price aspect of the formula with little recognition accorded the idea of parity of income. The result of this application of the parity-price concept is that it is effective in supporting farm income only as income is influenced by prices. It does not take into account the influence upon income of the amount of farm products available for sale. The problem may be illustrated by the 1947 production of wheat. The total production of winter and spring wheat was approximately 50 percent greater than normal or average production. Except for the abnormally high demand for wheat for export, the price of wheat would undoubtedly have dropped to low levels in the absence of any price support. Since a price support of 90 percent of parity was in effect, wheat producers would have received an income from wheat that would have been roughly a third higher than a normal income. In fact, if the price had fallen to about 70 percent of the parity price, farmers would have received more than a normal or average income for the crop because of the large supply.

On the other hand, if the production of wheat falls to two-thirds of normal, prices would need to be supported at 150 percent of the parity

price to bring the wheat farmer's total income up to full parity income. This sets forth the impossibility of helping the farmer to attain both parity prices and parity income at the same time, as set forth in the Agricultural Adjustment Act of 1938. *For helping to stabilize the farming industry the parity-income concept holds greater significance than do parity prices.*

The base period.—A second basic criticism of the present application of the parity formula to individual farm-commodity prices is that agriculture is a highly dynamic industry and that technological developments that have been introduced into agriculture over a period of years have changed the cost and price relationships for most farm products.

It is contended by some that the base period 1909-14 represented a desirable relationship between the things that farmers bought and sold. Even if this is accepted, it is questionable whether these price relationships among the several farm products are equitable under our present economy. To illustrate, the marked increase in mechanized production has reduced the proportion of the total population engaged in agriculture. A much larger outlay of capital, however, is required to carry on agricultural production today than in the earlier period. Moreover, the reduction in the use of labor and the increased use of capital vary greatly among the commodities. Furthermore, certain technological developments such as hybrid seed corn have further reduced the cost of producing some crops.

This situation illustrates the fact that cost and income relationships change over a period of years. For example, as among agricultural products, mechanization has reduced the cost of producing the major grain crops, whereas the cost of livestock and livestock products show no comparable reduction. In fact, it has been argued that in the event of a depression period, during which the price of individual farm products are to be supported, comparable price supports for crops and livestock on the basis of the 1909-14 relationships would discourage livestock production and add to depression difficulties.

In a depression period there is a normal tendency for the supply of nonperishable grain crops to accumulate and, as this occurs, it is desirable that livestock prices be sufficiently attractive, relative to prices for grain crops, to encourage the production of livestock as a major means of utilizing the accumulated supplies of grain. The fact that about 85 percent of the corn crop and about 80 percent of all forage and grain-crop production is fed to livestock indicates the importance of maintaining proper price relationships between feed crops and livestock in any support programs that might be used.

In addition to changes in the cost and income relationship any modification of the price formula must take into account the demand factor which can affect total production only through prices. For example, between two and three decades ago when the demand for dark tobacco was lowered, owing to the switch from cigars and pipes to cigarettes and the loss of the export market, the total production of dark tobacco was reduced greatly through operation of the market price, reflecting the change in demand. Conversely, the demand for flue-cured tobacco was increased enormously, and an increase in prices helped to bring forth the desired production.

Furthermore, if foreign-market outlets become materially reduced while American agriculture is maintaining its present level of production, the relative prices at which crops and livestock are supported should not be such as to discourage livestock production. The emphasis that is being placed on human nutrition makes it desirable that the production of livestock relative to crops be increased as soon as the emergency has passed in order to provide an improved diet for the entire population. This situation illustrates further the need of modernizing the parity-price formula in a way that will recognize changes in the relative costs of producing different farm products. This can be accomplished best by the use of a base period which represents current cost and income relationships better than the 1910-14 base does.

Including labor in parity.—Another important contention is that labor should be included and given an appropriate weight in the parity formula. There is widespread misunderstanding on the part of the public, including an occasional witness who testified before the Senate Agricultural Subcommittee, concerning the effect of including labor in the formula. Some people assume that when labor, either hired labor, or family labor, is not included when the parity index is determined, the index of prices for farm products is lowered by the proportion that the value of labor makes up of total farm expenses. This is not the situation. If labor is included in the formula, whatever weight is given to labor reduces the weight given to the other items used in computing the index. That is, the money value of the items that enter into the index of the things that the farmer buys can increase or decrease, but the index for the base period remains 100. Inclusion of the present cost of labor would change the index only insofar as labor was relatively more or less costly than the current costs of other items that make up the index.

The changing of weights involved in adding labor to the present parity index may be illustrated as follows: The average annual expenditure of farm operators for commodities purchased for use in production and family living, interest payments, and taxes on real estate in a given base period is taken as 100. If in the same base period the expenditures for labor are added to the above expenditure items and again adjusted to 100, commodities, interest, and taxes would constitute 89 percent and wage payments to hired labor would constitute 11 percent, making a total of 100 percent. If allowances for the labor of the farm operator and members of his family working on the farm are added at hired-labor rates and the total is again adjusted to 100 as a base for index numbers, the weight of the commodities, interest, and taxes becomes 68 percent and labor becomes 32 percent. Using prices and wage rates as of December 15, 1947, the parity-price index as now constructed is 245. Adjusting for hired labor only would make the index 265 and adjusting for hired and family labor would make the index 303.

The parity-price index is greatly raised when family labor is included, for farm wages during recent years have advanced more rapidly than the prices of things that farmers buy. Over a long period of years, however, the returns to family labor are quite well represented in the parity index now in use, for the items used in making up the

index of farm expenses are well selected to represent all things the farmer buys for his family and for operating his farm. It provides a rough measure of the cost of, or the return to, family labor; that is, the cost of the family labor is relatively well represented in the index by the 86 family-living items that the farmer buys. Thus it would appear to be best to have family labor represented in the index by the things the farmer buys for all of the family, rather than to attempt to place a value on family labor.

Wages paid to the hired worker are not represented in what the family buys for its living. Some suggest, therefore, that it is more equitable to include wages of hired workers in the parity index. Whether or not hired labor is included does affect the index, because the cost of hired labor changes from year to year to a greater degree than do the prices of the things the farmer buys. For example, as shown above, the parity-price index for agriculture on December 15, 1947, was 245 percent of the 1910-14 prices. When hired wages are included the index is raised to 265 percent. On the other hand, the parity index for agriculture would have been lowered in 1933 if hired labor had been included in the index. In 1933, the parity index for agriculture would have been 120 without hired labor; with hired labor included it would have been 116, showing a reduction of about 4 percent. When hired labor is included, the tendency is for the agricultural parity index to be reduced in periods of low prices and to be increased in periods of high prices. It appears that the inclusion of hired farm wages tends to work to the disadvantage of the farmer in periods of depression. On the other hand, it has been argued by some that hired labor is not likely to fall as low, relative to other prices, in the future as it did in 1933.

The parity income.—More people are recognizing that parity of income has some definite advantage over parity of prices in measuring the economic conditions of farmers. Some of the reasons advanced include the following:

1. Agricultural action programs should be directed toward guaranteeing agriculture an equitable share of the national income in order to help stabilize the national economy. Parity of prices fail to do this, for price parity only approximates income parity, depending upon the volume of products available for sale. In order to help stabilize the national economy, major emphasis should be placed upon parity income for agriculture rather than upon parity of prices. In the long run it is believed to be highly desirable that agriculture receive an equitable share of the national income and that agricultural programs be directed to that end, rather than to emphasize only parity prices for agriculture, which may or may not approach parity of income depending upon available volume of products and cost and income relationships.

2. Experience shows that agricultural price-support programs based on prices alone will tend to create surpluses of some products when high yields are obtained, especially if yields are high for several years in succession. This is due to the fact that if a production of 150 percent of normal is sold at 75 percent of parity, the total income will be well over normal.

3. If action programs are based more nearly upon total agricultural income rather than acreage control of particular crops, farmers

can be given more freedom in choosing what products they will produce. This is desirable especially for major grain and forage crops that enter into the production of food. It is considered that a program can be developed which will let the farmer be guided largely by the relative prices of farm products when planning his own operations. This is desirable because a close control of acreage or of livestock production may lead to many inefficiencies for the individual farmer and it is that type of handicap to which he objects.

4. With the current emphasis upon maintaining a high national level of income and with the agricultural income representing on the average about 15 percent of the national income for several years, it is desirable that programs designed to help agriculture should be based upon the parity-income approach, adjusted of course from time to time in light of changes in costs of production.

5. Building agricultural price-support programs on the parity-income concept would result in paying the largest benefits to farmers in times of lowest income, thus serving to give the greatest aid in stabilizing the national income.

6. The income-parity idea set forth in the Agricultural Adjustment Act of 1938 attempts to define income parity in terms of the net income per person living on farms. It is difficult to determine the net income per farm person and to compare it with the net income of urban people because of differences in living expenses in rural and urban areas, particularly in food supplied the family from home production and in the proportion of people of different ages. Also, many people living on farms are employed entirely or partially in urban centers. The need in measuring parity relationships is to secure a measure that reflects the relative opportunity for farm people to earn a parity of living in relation to urban people. While it is impossible to develop a formula that will meet all conditions, the parity-income approach seems to provide a more accurate measure than parity of prices alone. Furthermore, the gross income to agriculture and to individual farm products, must be high enough to cover the farm costs of production. This is reflected in, but may not be accurately measured by, the index of prices paid by farmers for all goods and services used in production and in family living. In general, the prices paid by farmers for goods and services used in production will tend to reflect the farm cost of production, and the prices of those goods and services used to measure family living expenses will tend to follow the trends in the cost of living on nonfarm people.

If the income of farmers is to be supported in times of low prices or low production, the matter may be approached by using either of two methods: (a) When the gross income of agriculture falls below a certain percentage of the total national income the income of farmers could be supported on a straight percentage of their actual income, or (b) when the total value of a particular farm product falls below a certain percentage of the national income, the price of that particular product could be supported at a level that would assure farmers a given percentage of the normal income for that product.

The first plan—paying farmers a given percentage increase of income when the total farm income falls to low levels compared with the national income—may be illustrated as follows: If farm income was to be supported at 75 percent of a normal or parity income, and total

national farm income fell to 70 percent of parity, each farmer would receive a cash payment representing five-seventieths of his actual income.

The second plan—that of supporting the income from each major farm commodity—may be illustrated as follows: When the supply of a product like wheat (that is, the current year's production and carry-over of old wheat) is a normal or average supply, the Government would support the price at a given percentage, say 75 percent, of the parity price. Also, as the supply increased the support price would be reduced or as the supply fell below normal the support price would be increased, so that in either instance the income from the product would be supported at the agreed upon level.

Most of the arguments in favor of the first method of supporting the total farm income would apply in principle to applying supports to separate farm products. On the other hand, the proposal to pay each farmer a percentage of his income to insure the agricultural industry getting its fair share of the national income is open to definite criticisms. Low national agricultural income might result from low income from a few products that are grown in certain regions, as wheat and cotton. At the same time, dairying might be relatively prosperous. To pay all farmers the same percentage of their income in order to equalize the income between agriculture and industry would not seem fair to the wheat and cotton farmers.

This criticism is so apparent that it seems desirable to emphasize the advantages of supporting the income of individual farm commodities. That is, instead of providing only a support price for a commodity, the value of the entire production of a commodity would be supported on a basis that takes into account both the price of the commodity and the available supply of the commodity. In accordance with the commodity income support plan, the income from a commodity might be supported at 75 percent or 80 percent or some other percentage of its parity income or value level. By way of illustration, it might be assumed that the income or value of a product was to be supported at 75 percent when a normal supply of the product was available, which may be illustrated by stating:

1. That the price of a commodity would be supported at 75 percent of parity when the production for the current year and the carry-over from the previous year represented a normal supply. (This might be interpreted as the 10-year average production (including imports) plus the 10-year average carry-over. Parity in this instance might be the 10-year average price of the commodity corrected for the relationship (or ratio) of the prices of the things the farmer buys to the prices of the things he sells.)

2. That the price of a commodity would be supported at 76 percent of parity when the production and carry-over dropped to 98 percent of a normal supply, and to increase the support price up to 90 percent of parity as the supply falls to 70 percent or less of a normal supply.

3. That the price of a commodity would be supported at 74 percent of parity when the production and carry-over rose to 102 percent of a normal supply, and to decrease the support price to 60 percent of parity as the supply rises to 130 percent or more of a normal supply.

This type of adjustment of the price support to the available supply of a product would tend to stabilize the income from the commodity within narrow limits.

Determining a normal supply of a product.—The establishment of a “normal supply” of a product, such as the suggested 10-year moving average of supply, raises a question as to whether the 10-year moving average may not be affected too greatly by two or more unusually good or poor years coming within the 10-year period. For example, the drought years of 1934 and 1936 would have tended to reduce rather markedly the 10-year average supply of corn, or the 1947 wheat crop following a large production in 1946 would tend to raise the 10-year average more than desirable.

The problem of determining a “normal supply” may be solved in either of two ways: (a) A 20-year average supply of a product, which would tend to neutralize the effect of one or two abnormal years, or (b) a 10-year moving average with the effect of abnormal years limited to a maximum of 20 percent of normal supply.

Under the latter provision the first 10-year moving average might be established in a period having neither extremely large nor small production in any year, and as an old year is dropped and a new year is added to the 10-year moving average, the new year's supply would be limited to a figure 20 percent above or below the preceding 10-year average. For example, if the supply in a new year falls below 80 percent or rises above 120 percent of the preceding 10-year average, the new year's supply figure added into the 10-year moving average would be limited to 20 percent less than or 20 percent more than the 10-year moving average.

The preference would be for the latter of the two illustrations—that of limiting the supply of a product last added to the 10-year moving average to 20-percent increase or decrease from the 10-year moving average. Also, a 10-year moving average has an advantage over a 20-year moving average in that it more clearly reflects current conditions. The 20-percent increase permitted would provide an opportunity for the moving average to advance about 2 percent per year for a product, the production of which was continually increasing. The 2 percent per year also would take care of normal increase in population which is about 1 percent per year.

This type of adjustment would afford a means of protecting the 10-year moving average from being affected too greatly by extreme conditions in 1 or 2 years.

Need of revising the parity formula.—The need for revising the parity formula is indicated by the adjustments that have been made in the parity base period for different farm products. The Secretary of Agriculture, in accordance with the authority vested in him, has established comparable prices for certain commodities for which the production or consumption has so changed in extent or character since the base period as to result in a price out of line with parity prices for the basic commodities. Present legislation provides for the use of the period August 1919 to July 1929, or some part thereof, as the parity base period for commodities for which satisfactory data are not available for the period August 1909 to July 1914. In other instances, selected base price periods have been used for some products

for which earlier base periods were obviously not equitable; also, base prices must be established for new products which have come into production since the base period prescribed by law. This situation indicates the need for a parity formula that can be kept in adjustment with changes that take place from year to year in the price and cost relationship of farm products.

It is significant that the ratio of the prices of things the farmer bought to the prices of things he sold in the base period of August 1909 to July 1914, which was indicated as an index of 100, closely approximates the ratio of the prices of things the farmer bought and sold in the period of 1937 to 1946. The relative prices of different farm products to each other has changed materially from 1909-14 to 1937-46, but the fact that the relationship between the prices of things the farmer buys and sells was at approximately the same ratio, suggests that a good parity base period might be the 10-year period 1937-46.

The fact that the relationship between the prices of the things the farmer buys to the things he sells in the period from August 1909 to July 1914 closely approximates the relationship from 1937 to 1946 may be used in either of two ways. It might be argued that since the relationship is approximately the same for both periods, the selection of August 1909 to July 1914 as a base period for calculating parity relationship was a good selection and therefore could be retained. On the other hand, since the relationship is approximately the same, it may be argued that this is a good time to change to a recent base period, such as 1937-46. Furthermore, some people recommend starting with the period of 1937-46 as a base period and that a 10-year moving average be used hereafter as the parity base period. As opposed to the last suggestion, there is support for not adopting a moving-average base period until economic conditions are better stabilized than at present.

In any case, it seems desirable to use a recent period as the base period for determining the parity relationships among farm products. The use of a 10-year moving average for this purpose would insure keeping the parity relationships of farm products adjusted more closely to changing cost and income relationships among the products.

FOUNDATIONS OF AGRICULTURAL POLICY

EARLY HISTORY

A century and a half ago our young Nation was largely agricultural. About 90 percent of the people were engaged directly in farming. Agriculture was in essence our national life.

With heavy dependence upon agriculture and with a boundless supply of farm land, sale of the public domain for purposes of revenue dominated the early land policy of our newly established Nation. Prior to 1820 a purchaser of Government land could not buy less than 640 acres, and the minimum price was \$2 per acre. As a consequence, most of the land was sold to speculators. Such transactions were encouraged by a liberal credit policy, but this credit was not used to develop the land for farm use.

With the passage of the Public Land Act in 1820, the establishment of farm families upon farms of their own dominated Federal policy

in disposing of public land. This act provided for the sale of tracts as small as 80 acres at a minimum cash price of \$1.25 an acre. At this early date an 80-acre tract was about all the land a farmer needed, with the hand method of production that prevailed. These early adjustments in land-settlement policies—aimed to encourage the maintenance of family farms owned by those who till the soil—set the pattern of thought that dominated American agriculture for a century and a quarter.

Slow industrial development and the influx of immigrants brought pressure for free Federal land for settlers. Many land-hungry people were occupying the Federal public domain without acquiring a title to the land. An act of 1830 assured a clear title to all of those squatters on Federal land who would register their claims and pay the minimum price.

This foreshadowed the Federal Preemption Act of 1841, which legalized the settling of the Nation's public land in family-sized units before it was surveyed. After a home was established and the farm had been brought into production, the occupant was permitted to pay for the farm at the minimum price and receive a clear title. The preemption act and the earlier land acts led to the rapid settlement of the public domain in the Midwest.

In keeping with the important role of agriculture in building a strong nation, President Lincoln, in 1862, approved three of the most important legislative steps ever taken by the Government on behalf of the farmer. They were:

1. The Department of Agriculture Act of May 15, 1862—

* * * the general design and duties of which shall be to acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture, in the most general and comprehensive sense of that word, and to procure, propagate, and distribute among the people new and valuable seeds and plants.

2. The Homestead Act of May 20, 1862, which flung wide open the door of opportunity to any citizen who would become a farmer. The land of the West was made accessible to settlers free of any purchase price, in 160-acre homesteads, provided the homestead was occupied for a minimum of 5 years.

3. The Land-Grant College Act of July 2, 1862, which granted to the States vast quantities of the public domain for—

* * * the endowment, support, and maintenance of at least one college where the leading object shall be, without excluding other scientific and classical studies and including military tactics, to teach such branches of learning as are related to agriculture and the mechanical arts, in such manner as the legislatures of the States may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.

As early as 1839, Congress had made the initial appropriation of \$1,000 for the promotion of agriculture. This appropriation was to be used in the collection of farm statistics, the distribution of seeds and plants, and for other agricultural purposes. These early ideas still dominated the thinking when the United States Department of Agriculture was established in 1862.

The Homestead Act, like the preemption acts, expedited settlement of the West in family-sized farms. Until the advent of modern mechanized farming the quarter-section farm, located in good grain-

producing areas, was a good size for efficient operation by a family. The land settlement which took place under the Homestead Act was a healthy development in most areas east of the one hundredth meridian.

The Land-Grant College Act was a forward-looking step, taken at a time when complete settlement of the desirable farm land in the public domain was still far distant. It helped point the way to the highly efficient production of food and fiber, and to the releasing of an ever-increasing part of our population for industrial development and for urban occupations. Such progress was essential to the development of a high level of living for all of our people.

It soon became evident, however, that the research and experimentation carried on in the several States needed to be expanded. As a consequence, the Hatch Act establishing the State agricultural experiment stations was approved on March 2, 1887. This act provided funds—

* * * to aid in acquiring and diffusing among the people of the United States useful and practical information on subjects connected with agriculture, and to promote scientific investigation and experiment respecting the principles and application of agricultural science * * *.

The first endeavors were concerned with the collection of agricultural statistics needed to guide planting and marketing and to the dissemination of information among farmers to aid in lowering the unit cost of production. Farmers wanted to produce more food and fiber with less labor and at lower costs; they sought to introduce higher yielding, drought-resisting plants and improved disease-free animals, which in turn would tend to stabilize income. From 1870 to 1900 farmers were becoming increasingly concerned about the prices of the products they offered for sale. During the latter part of the period prices of farm products became a major political issue.

By the turn of the century production methods were progressing satisfactorily, but the disappearance of desirable land in the public domain, the rapid growth in population, and the decline of the export market added new worries. The farmer needed assistance in marketing the increased production, in meeting his expanded credit needs, and in the development of cooperatives. The development of cooperatives required a type of adult education which was at first supplied in part through demonstration farms. To fulfill this need more adequately, the Smith-Lever Agricultural Extension Act became law on May 8, 1914. Its purpose was—

* * * to aid in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics, and to encourage the application of the same * * *.

The farmer's credit needs received congressional attention with the enactment of the Federal Farm Loan Act of July 17, 1916. Its purpose was—

* * * to provide capital for agricultural development, to create standard forms of investment based upon farm mortgages, to equalize rates of interest upon farm loans, to furnish a market for United States bonds, to create Government depositaries and financial agents for the United States, and for other purposes.

Six years later special encouragement was given to the establishment of cooperatives as a solution of the farmer's marketing problems. The Capper-Volstead Act of February 18, 1922, provided that—

Persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, nut or fruit growers may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce, such products of persons so engaged.

Provision was also made for safeguarding cooperatives from the rigors of the Sherman antitrust law. This action was justified because the benefits of cooperation were distributed widely among many individuals who suffered disadvantages because of the small size of their businesses.

Thus, the provisions for the settlement of family-sized farms by owner operators, the expansion of agricultural research and education in State agricultural colleges, experiment stations, and extension services, the development of a rural credit system sponsored by the Government, and the growth of farmer cooperative organizations under legal protection laid a foundation for rapid technical progress and a strong agricultural development. Assisting the farmer through federally subsidized research and education and through Government-sponsored cooperative credit and marketing organizations met many of the needs of agriculture so long as the Nation depended largely upon agricultural production and was exporting large quantities of farm products.

CHANGING CONDITIONS

Following the First World War, during which agricultural production was expanded, a new set of conditions confronted that generation of farmers and the entire Nation as well, although some of the conditions were similar to those following the Civil War. The disastrous consequence to agriculture of high costs relative to income had a delayed ill effect upon all of our economy.

It has been frequently said that "for half a century, the United States helped feed half of the world at half a price." The United States exported large quantities of cotton and tobacco in terms of the world trade, but the exports of food products were not large in terms of the world food consumption. Wheat and livestock products were, however, important items of export. During this period the "cream of fertility" was skimmed from the largest single body of highly productive land ever brought into cultivation during the history of mankind.

Advancements in plant and animal breeding and improved techniques that helped maintain acre production served to hide the effects of soil exploitation. But the immediate effect of wartime prices was wild speculation in farm land, leaving in its wake an impossible indebtedness which continued to mount for more than a decade. Hundreds of thousands of the Nation's best farmers were victims of bankruptcies and farm foreclosures. Industry, which for some time enjoyed a prosperity based in part upon foreign credit business, failed to recognize the plight of agriculture. Eventually the export market was largely lost and prices collapsed.

A quarter of a century earlier the farmer had withstood depression conditions mainly because of his self-reliance upon home industry, production of needed power from work stock he raised and fed from his own crops, the low capitalization of farm property, and the world market which continued to buy his products, although at a low price.

The advent of highly mechanized farming and the transfer of many production and distribution processes from the farm to the city made it necessary for the farmer to purchase on the commercial market more goods, including food, tractors, machinery, fuel, and other supplies. The farmer gradually became more dependent upon an industrial economy. Virtually every one was guilty of neither comprehending fully nor preparing adequately for the situation that later swept all of industry as well as agriculture into deep depression.

During this period of change the demand arose for legislative aid to agriculture in the form of the McNary-Haugen bill and the export debenture plan. Later the Federal Farm Board was established in 1929 by Federal legislation—

* * * to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, and to place agriculture on a basis of economic equality with other industries.

It was the declared policy of Congress—

* * * to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, so that the industry of agriculture will be placed on a basis of economic equality with other industries, and to that end to protect, control, and stabilize the currents of interstate and foreign commerce in the marketing of agricultural commodities and their food products—

1. By minimizing speculation.
2. By preventing inefficient and wasteful methods of distribution.
3. By encouraging the organization of producers into effective associations or corporations under their own control for greater unity of effort in marketing and by promoting the establishment and financing of a farm marketing system of producer-owned and producer-controlled cooperative associations and other agencies.
4. By aiding in preventing and controlling surpluses in any agricultural commodity, through orderly production and distribution, so as to maintain advantageous domestic markets and prevent such surpluses from causing undue and excessive fluctuations or depressions in prices for the commodity.

The Federal Farm Board program of price supports failed when sufficient domestic and foreign markets could not be found for the commodities the Board purchased in its attempts to sustain prices, while farm production continued at a high level. The Smoot-Hawley Tariff Act of 1930 was designed to protect the farmer's domestic market, and—

* * * to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

It resulted in retaliatory trade barriers which barred our agricultural products from many foreign markets. A world-wide industrial depression developed which was directly related to the decline in world trade.

Production and trade conditions that combined to help bring about the disastrous conditions that agriculture faced in the early 1930's included: (a) Wartime crop expansion which brought 40,000,000 additional acres under the plow; (b) displacement of horses and mules by mechanized power which released another 35,000,000 acres for the production of products to be sold; (c) effort of European nations to become self-sufficient which decreased export demands; (d) further reduction of export trade which was largely destroyed by reciprocal action of other nations to our high industrial tariffs and by increased competition from Argentina, Canada, Australia, and South Africa;

(e) an abrupt change from the position of a debtor to a creditor nation which had a marked influence upon the domestic economy; and (f) growth of corporate monopoly and price control which compelled the farmer to accept what was offered for the products he sold and to pay what was asked for those he bought. Heavy fixed costs of taxes, interest, debt amortization, machinery, and current operating expenses still stared the farmer in the face. The accumulation of stocks of grain, low prices, uncertainty, insecurity, bankruptcy, and lack of hope made the farmer's outlook black.

NEW LEGISLATION

The acute situation in 1933 brought drastic action to stop the bankruptcy of farmers, to restore purchasing power, and to get the national economy functioning in a normal way. The legislation enacted was hastily drawn to meet an emergency situation.

The policy objectives of some of the major legislation designed to meet the farmer's needs during the last decade and a half may be summarized as follows:

1. The Agricultural Adjustment Act of May 12, 1933, was designed—

* * * to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish prices to farmers at a level that will give agricultural commodities a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of agricultural commodities in the base period * * * and to protect the interest of the consumer by * * * authorizing no action * * * which has for its purpose the maintenance of prices to farmers above the level which is declared the policy of Congress * * *.

2. The Soil Conservation Act of April 27, 1935, had objectives which were stated in the following terms:

It is hereby recognized that the wastage of soil and moisture resources on farm, grazing, and forest lands of the Nation resulting from soil erosion, is a menace to the national welfare and that it is hereby declared to be the policy of Congress to provide permanently for the control and prevention of soil erosion and thereby to preserve natural resources, control floods, prevent impairment of reservoirs, and maintain the navigability of rivers and harbors, protect public health, public lands, and relieve unemployment * * *.

3. The Bankhead-Jones Research Extension Act of June 29, 1935, provided additional funds—

* * * to conduct research into laws and principles underlying basic problems of agriculture in its broadest aspects; research relating to the improvement of the quality of, and the development of new and improved methods of production of, distribution of, and new and extended uses and markets for, agricultural commodities and byproducts and manufactures thereof; and research relating to the conservation, development, and use of land and water resources for agricultural purposes.

4. The Bankhead-Jones Farm Tenant Act of July 22, 1937, was designed (1) to increase farm home ownership among tenants, farm laborers, and sharecroppers through the making of loans for the purchase of efficient farm-management units, (2) to rehabilitate destitute farm families by making—

* * * loans to eligible individuals for the purchase of livestock, farm equipment, supplies, and other farm needs * * *

and (3)—

* * * to develop a program of land conservation and utilization, including the retirement of lands which are submarginal or not primarily suitable for cultivation, in order thereby to correct maladjustments in land use, and thus assist in controlling soil erosion, reforestation, preserving natural resources, mitigating floods, preventing impairment of dams and reservoirs, conserving surface and subsurface moisture, protecting the watersheds of navigable streams, and protecting the public lands, health, safety and welfare.

5. The Agricultural Adjustment Act of February 16, 1938, had policy objectives as indicated—

* * * for the purpose of conserving national resources, preventing the wasteful use of soil fertility, and of preserving, maintaining, and rebuilding farm and ranch land resources in the national public interest; to accomplish these purposes through the encouragement of soil-building and soil-conserving crops and practices; to assist in the marketing of agricultural commodities for domestic consumption and for export; and to regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide an orderly, adequate, and balanced flow of such commodities in interstate and foreign commerce through storage of reserve supplies, loan, marketing quotas, assisting farmers to obtain, insofar as practicable, parity prices for such commodities and parity of income and assisting consumer to obtain an adequate and steady supply of such commodities at fair prices.

6. The Federal Crop Insurance Act of February 16, 1938, the policy objectives of which were—

* * * to promote the national welfare by alleviating the economic distress caused by wheat-crop failures due to drought and other causes, by maintaining the purchasing power of farmers, and by providing for stable supplies of wheat for domestic consumption and the orderly flow thereof in interstate commerce.

7. The Cooperative Extension Act of June 6, 1945, the purpose of which was to provide additional funds—

* * * for the purpose of paying the expenses of cooperative extension work in agriculture and home economics, including technical and educational assistance to farm people in improving their standards of living, in developing individual farm and home plans, better marketing and distribution of farm products, work with rural youth in 4-H Clubs and older out-of-school youth, guidance of farm people in improving farm and home buildings, developing of effective programs in canning, food preservation, and nutrition, and for the necessary printing and distribution of information in connection with the foregoing * * *.

8. The National School Lunch Act of June 4, 1946, had a policy objective which is summarized in the following language:

It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants-in-aid and other means, in providing an adequate supply of foods and other facilities for the establishment, maintenance, operation, and expansion of nonprofit school-lunch programs.

9. The Hope-Flannagan Act of August 14, 1946, had a basic policy objective—

* * * to provide for further research into basic laws and principles relating to agriculture and to improve and facilitate the marketing and distribution of agricultural products.

These policies were spelled out in more detail as follows:

It is hereby declared to be the policy of the Congress to promote the efficient production and utilization of products of the soil as essential to the health and

welfare of our people and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum employment and national prosperity. It is also the intent of Congress to assure agriculture a position in research equal to that of industry which will aid in maintaining an equitable balance between agriculture and other sections of our economy.

It is further declared to be the policy of Congress to promote through research, study, experimentation, and through cooperation among Federal and State agencies, farm organizations, and private industry a scientific approach to the problems of marketing, transportation, and distribution of agricultural products similar to the scientific methods which have been utilized so successfully during the past 84 years in connection with the production of agricultural products so that such products capable of being produced in abundance may be marketed in an orderly manner and efficiently distributed.

The most inclusive single statement of the fundamental principles upon which permanent farm legislation should be based was outlined in a joint resolution of the Congress approved on August 24, 1937. The principles therein enunciated and the resolution which followed were:

1. That farmers are entitled to their fair share of the national income;
2. That consumers should be afforded protection against the consequences of drought, floods, and pestilence causing abnormally high prices, by storage of reserve supplies of big crop years for use in time of crop failure;
3. That if consumers are given the protection of such an ever-normal-granary plan, farmers should be safeguarded against undue price declines by a system of loans supplementing their national soil-conservation program;

and

4. That control of agricultural surpluses above the ever-normal-granary supply is necessary to safeguard the Nation's investment in loans and to protect farmers against a price collapse due to bumper yields resulting in production beyond all domestic and foreign need.
5. That the present Soil Conservation Act should be continued, its operations simplified, and provision made for reduced payments to large operators on a graduated scale to promote the interest of individual farming;
6. That, linked with control of agricultural surpluses, there should be research into new uses for agricultural commodities and the products thereof and search for new uses, new outlets, and new markets, at home and abroad;
7. That provision should be made for applications to the Interstate Commerce Commission for correction of discriminations now existing against agricultural products in the freight-rate schedules.

Now, therefore, be it—

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That abundant production of farm products should be a blessing and not a curse, that therefore legislation carrying out the foregoing principles will be first to engage the attention of the Congress upon its reconvening, and that it is the sense of the Congress that a permanent farm program based upon these principles should be enacted as soon as possible after Congress reconvenes.

Two important actions taken in behalf of agriculture in the 1930's, which were not entirely legislative in nature, were the consolidation of the various Federal farm credit activities to form the Farm Credit Administration, the creation of the Commodity Credit Corporation by Executive order, and the closer coordination of Federal and State activities under the Mount Weather agreement.

On March 27, 1933, the President, under the authority granted by the Congress, brought together in the newly established Farm Credit Administration the several Federal farm-credit activities. To this agency was assigned the enormous task of stopping the wave of foreclosure that was sweeping the country and to put the American farmer on a sound financial footing by supplying credit adequate to his needs.

Consolidation of the various Federal credit activities was well supplemented by effective congressional legislation which expanded and coordinated the several credit programs.

The Commodity Credit Corporation, established on October 16, 1933, was in a sense the successor to the Federal Farm Board. Immediately it provided the means of extending loans to farmers on grain stored on farms, which enabled farmers to hold certain crops for improved prices. During the war and postwar years the corporation was given additional responsibilities and played an important role in purchasing many different kinds of supplies for foreign purchasers and military needs.

The Mount Weather agreement, entered into by the Department of Agriculture and the land-grant colleges in July 1938, was for the purpose of further enlisting the active cooperation of the land-grant colleges and farm people in planning and administering the action programs of the Department and to democratize effectively the farm program by coordinating local and national interests.

CONSEQUENCES OF NEW LEGISLATION

Much of the agricultural legislation passed after 1933 differed materially in character from that of previous times. Legislation prior to the First World War emphasized expanding production of farm products by increasing the area, with little regard to market demands. Exports of farm products had helped to secure foreign capital for industrial expansion at home and to pay interest on these debts. The change from a debtor to a creditor nation after the First World War and the consequent loss of foreign markets focused attention more and more upon the necessity for a better balanced domestic economy. The depression of the early 1930's and its consequences taught that any important segment of our economy cannot long prosper if other major parts of it are in distress.

The abnormal situation created by the recent war and the continued demand from abroad for our food products should not be permitted to obscure the interdependence of the segments of our own economy. It is in the light of this situation that recent legislative action should be examined. Legislation prior to the Agricultural Marketing Act of 1929 had done much to enable farmers to help themselves as individuals. Beginning with this act, subsequent legislation more directly recognized that many desirable objectives for agriculture required the coordinated effort of many farmers working together to accomplish a common purpose. Furthermore, when action provides for restrictions such as acreage control or marketing quotas the individual gives up some of the freedom he had formerly enjoyed in directing his own operations. Farmers regard these restrictions as preventing the full use of land, equipment, and labor resources. Income protection, afforded farmers under Federal legislation, is possible only as the individual is willing to forego some of this freedom in order to be assured of a more stable agriculture.

An adequate appraisal of the merits of much of the legislation of the past 15 years cannot be made without careful analysis of results including an interpretation of the effects of the drought in 1934 and 1936 and the consequences of the recent war. Some of the remedial

legislation passed in 1933, in particular, was hastily drawn to stem the depression that was carrying people in all walks of life into financial ruin. Some generalizations drawn from the operations of this legislation will help point the way to improved new legislation.

The Agricultural Adjustment Act of 1933 was later declared unconstitutional in regard to some of its vital aspects. The action program of this act leading to plowing under cotton and the killing of little pigs in particular was contrary to the farmers' philosophy of abundant production and won the severe criticism of consumers.

Considering the limited effect of this program in a period of burdensome supplies, the public placed too much emphasis upon these aspects of the program. Many people failed to see that the apparently burdensome supply of farm products was due to business stagnation and a decline in domestic and foreign demand. The major objective of the initial legislation was to reestablish farmer purchasing power. In view of the supplies of farm products then on hand, the restriction on production was similar in principle to limiting the output of any industry to raise or maintain the prices of its products.

An adequate food supply is vital to the Nation. Many people emphasize that the farmer has a moral responsibility to maintain farm production at a level to meet food needs. To accept this point of view places a responsibility upon the public to assure farmers who continue to produce abundantly that they will not be forced into financial ruin. This entire line of reasoning emphasizes the dependence of each segment of our highly specialized economy upon a well-balanced national economy.

The Commodity Credit Corporation provided for one of the significant phases of the recovery efforts by lending money to farmers on stored products so that they would not need to be sold on a seriously depressed market. The nonrecourse corn-loan program, which was put into effect for the 1933 corn crop at 45 cents per bushel, for example, is credited by many farmers as being one of the most constructive actions of that period. The market price of corn had recovered to above 50 cents a bushel before the first loans were made. The advantage to farmers was that they were able to receive the badly needed cash to meet current needs and were enabled to hold their corn, much of which later sold for more than 75 cents a bushel as a result of the widespread drought of 1934. This drought experience gives support to programs of production which assure a reasonable carry-over of supplies to help meet future emergencies. At the same time it must be recognized from past experience that a crop-loan program should avoid storing up excessive surpluses that will have no ready market.

Production control leading to restriction in the use of land was a partial failure, especially in livestock-producing areas, because the idle acres were permitted to be planted to forage crops which frequently produced as much actual feed as the crops they replaced. The principal advantage gained was in storing up soil fertility which later proved to be a good reserve for the wartime food-production program. Also acreage controls led farmers to put crops on the best land and to use large amounts of fertilizers on land in crops so as to maintain their production and income.

The legislation providing for the development of marketing agreements and orders merits special mention. Marketing agreements

covering the marketing of about 25 percent of the fluid-milk supply of the country are in effect, and probably the market price of 50 percent of the country's fluid-milk supply is directly influenced by the marketing agreements. The provision for considering the testimony of producers, distributors, and consumers in developing an agreement upon which the price of milk to farmers is based, marks a forward step in assuring the public of an adequate supply of milk. The agreements are drawn on the basis that considers both the farmer's cost of production and the consumer's ability to pay. A formula that is self-adjusting to changing conditions gives the farmer financial security and stabilizes the supply of milk to consumers at equitable prices. Some marketing agreements have worked satisfactorily in marketing fruits and vegetables. The success to date suggests the expanded use of marketing agreements in more markets and for more products.

Incentive payments for soil conservation administered by the Production and Marketing Administration have been effective in accomplishing the adoption of improved soil practices by many farmers who otherwise would not have entered into soil-improvement programs, especially operators of rented land and low-income farmers. Many farmers freely state that they have not needed the payments during the war years when prices have been good. These statements indicate that some farmers think of an incentive payment as a means of increasing current income rather than as a stimulus to protect or to improve the soil on a permanent basis. One of the major criticisms made of the incentive payments and the way in which they were administered is that in some particular areas payments were made for practices that had little or no permanent value to the soil. Furthermore, incentive payments should not be made for what is recognized as a good farming practice already followed by the majority of farmers of an area, or for practices that improve crop yields for only a year or two. When public funds are expended for soil improvement, the public has a right to expect that some permanent benefit will be realized.

Agricultural programs involving parity prices for farmers have been based primarily upon price relationships without considering the volume of production. Parity income has received limited consideration, although the policy statement in the Agricultural Adjustment Act of 1938 specifically includes parity of income for agriculture. This point, together with the criticism that the parity formula itself is badly out of date, is discussed more fully, because of its importance in relation to new legislation, in this appendix on page 47.

The Farm Credit Administration as organized in 1933 provided a well-integrated credit system for agriculture. The Federal land bank in conjunction with the Federal Farm Mortgage Corporation made available funds to meet the farm-mortgage emergency, which private interests were not in a position to meet. The Production Credit Corporation through local associations provided for short-term production loans to farmers to meet operating expenses at a time when banks were seriously disorganized. The Bank for Cooperatives provided a source of credit for farmer cooperatives. The Intermediate Credit Bank, as a bank for banks, secured the loan funds needed by the production credit associations through the sale of securities and borrowings from credit institutions.

The Federal land bank effectively helped debt-distressed farmers to put their obligations on a sound financial basis, and had a secondary effect on other lending agencies. Other creditor agencies, following the example of the Federal land bank, adopted more liberal credit policies designed to protect worthy borrowers in periods of distress and by making long-term loans relieved them of the necessity of frequently renewing farm-mortgage loans.

The recovery and advance in prices of farm products have enabled the Federal land banks to repay all Government capital put into them, and both the Federal land banks and the Federal Farm Mortgage Corporation have large reserves as a result of their operations and interest-free Government capital. The success of the Federal Farm Mortgage Corporation, in particular, was due largely to the fact that the loans were made in a period of low land values and a steadily improving farm income which lasted for 15 years.

The soil conservation program has contributed greatly in making the Nation conscious of the destruction of the soil resources. Methods of soil conservation, restoration, and development that had been established by the State agricultural experiment stations and the United States Department of Agriculture stations were popularized and new practices were developed. The major criticisms of the Soil Conservation Service are that conservation is not being accomplished as rapidly as had been hoped and that the soil conservation work is not sufficiently coordinated with the other educational work with farmers.

The Bankhead-Jones Farm Tenant Act, which made possible 100-percent loans to tenants for the purchase of farms, has made a good record. Fortunately many farms were bought at low prices, and the continued advance in prices of farm products has made it possible for the purchasers to show an excellent record of debt reduction, which would not have been possible under prewar prices or a declining price level. Long-range credit policies should take this situation into account.

The Federal crop-insurance program can best be characterized as an experiment. Up to 1947, the losses incurred in the operation of the act had consumed \$90,000,000 of the \$100,000,000 of capital provided for the Federal crop insurance in addition to current appropriations to meet operating costs. Appropriations for the current year provided for putting the crop insurance activities on an experimental basis in order to help develop sound principles for conducting crop-insurance programs. The 1947 crop-insurance program for wheat showed a substantial profit owing to the exceptionally good crop over most of the wheat-growing region.

The Cooperative Extension legislation made possible the urgently needed increase of personnel in the Agricultural Extension Service. Appropriations under this act were to be increased for 3 years. The appropriations were made in 1945 and 1946, but were not included in the Budget for 1947. Many State agricultural extension services started a 3-year expansion program, giving increased emphasis especially to work with rural young people of the boys' and girls' 4-H Club age and with older young people who were entering farming. The failure to appropriate all of the funds provided for in the act has cut short the work with rural youth which has great significance

because of the return of so many young people from the armed services. An abnormally large number of young men are replacing farmers who continued in farming more years than they intended, because of the war. Educational and training work with rural young people has special significance for the half of them who later enter urban employment, but it also has real significance to those who stay on the farms.

The national school-lunch program, sometimes regarded as a surplus food-disposal plan, is filling an important role in providing for the improved nutrition of children and in educating the children to better food habits. A problem has arisen because the several States have been slow to enact legislation providing funds to the extent contemplated in the act, thus retarding the expansion of the program to reach more children of school age.

The Hope-Flannagan Act, if its appropriation provisions are carried out, represents a forward-looking program to provide more adequately for an expanded research program in all branches of production and utilization of agricultural products. Legislative action for agricultural research has received frequent emphasis but the present act lends encouragement for young men to enter this field of endeavor with some assurance of its expansion. The benefit from this legislation is not limited to agriculture, for much of the ultimate gain from productive agricultural research goes to the consumer. More abundant production, reduced costs of production, better handling of food products, and improved utilization of farm products all help the consumer to get his products at lower costs, in better condition, and in abundant supply.

These observations relative to recent agricultural legislation might be extended, but this brief discussion points to some problems for consideration in future legislative action. The effects of recent legislation should be carefully studied through an analysis of their long-time effect upon agriculture and farm people. The depression years and the war years demanded action, sometimes without adequate information as a base. Current and future forward looking legislative action, however, needs a strong factual basis, and legislative action should be designed to accomplish well-founded objectives. A criticism frequently made of recent legislation is that it has been "piecemeal," taking up one problem at a time without due regard to the ultimate effect upon the agricultural industry or the consumer. Furthermore, it is said, its "piecemeal" approach tends to grant privileges to some groups of producers not accorded others.

Throughout much of the recent legislation one finds a continuation of the same thinking that dominated earlier legislative action; namely, emphasis upon helping farmers to become owners of their own farms, expanded programs for agricultural research and education, improved farm-credit facilities on a farmer cooperative basis, and means of facilitating the organization and financing of farmer cooperatives. In addition, the legislative action was designed to give emphasis to utilizing burdensome supplies of farm products, to give more direct attention to preventing the continued exploitation of the soil, to give parity of income to farmers, to give direct aid to underprivileged rural people, to improve the diet of children, and to secure a better balanced national economy.

Some of the recent farm legislation, which was originally designed to meet an emergency situation, has raised questions and criticism. These should serve as one basis in analyzing the need for further legislation. The approach to legislative problems in this report has been to set forth and explain basic policy objectives, and to analyze agricultural problems and programs in the light of these objectives. This procedure should help insure that legislative revisions or new legislation will contribute directly to the attainment of these objectives—objectives designed for the ultimate benefit of all of our people.



80TH CONGRESS
2D SESSION

S. 2318

IN THE SENATE OF THE UNITED STATES

MARCH 15, 1948

Mr. AIKEN (for himself, Mr. BUSHFIELD, Mr. WILSON, Mr. THYE, Mr. THOMAS of Oklahoma, Mr. ELLENDER, and Mr. LUCAS) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To provide for a coordinated agricultural program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Agricultural Act of
4 1948".

5 DECLARATION OF POLICY

6 SEC. 2. It is hereby recognized that a sound national
7 economy requires that each segment of the population be
8 maintained as an efficient producer and a constant consumer
9 of goods and services, and it is hereby declared to be the
10 policy of Congress to provide for a coordinated program, to

1 be administered by the Secretary of Agriculture in coopera-
2 tion with agencies in the several States, and designed—

3 (1) to assure an abundant production of all agri-
4 cultural products necessary for the improved nutrition
5 and clothing of all our people;

6 (2) to develop a means of supporting agricultural
7 income on a flexible basis relative to prices and produc-
8 tion so as to foster desirable shifts in agricultural produc-
9 tion and aid in stabilizing the national economy;

10 (3) to improve methods of marketing, facilitate
11 distribution, and increase utilization of agricultural com-
12 modities in both domestic and foreign markets;

13 (4) to regulate interstate and foreign commerce in
14 cotton, wheat, corn, tobacco, rice, peanuts, and wool to
15 the extent necessary to provide an orderly, adequate,
16 and balanced flow of such commodities in interstate and
17 foreign trade through price support, marketing quotas,
18 diversion to various economic uses, and other means;

19 (5) to assist consumers in obtaining adequate and
20 steady supplies of high-quality farm products at fair and
21 equitable prices;

22 (6) to assist low-income families and school chil-
23 dren in maintaining an adequate diet, particularly in
24 periods of underconsumption and unemployment;

25 (7) to obtain full cooperation and coordinated action

of farm operators in conserving, restoring, and developing our soil, water, and forest resources ;

(8) to provide more adequately for the coordination and expansion of Federal and State soil surveys and other investigations, experimentation, and research pertaining to the conservation, restoration, and development of our natural agricultural resources, and for the publication of the results of such studies ;

(9) to assure that incentive payments to farmers in each State for soil-conservation practices shall be made only for practices approved jointly by the State agricultural council (hereinafter provided for) and the Secretary of the United States Department of Agriculture ;

(10) to provide for the fullest development and the most efficient employment of rural human resources ;

(11) to provide more fully for adult education through cooperative agricultural extension work as the recognized educational and demonstrational medium for reaching farm people and others in regard to agricultural information, policies, and programs ;

(12) to provide for the full development of personal initiative and local responsibility in the development and administration of programs for the maintenance of a progressive agriculture ;

(13) to provide for the adaption of agricultural

1 programs to the different and changing needs of regional
2 and local communities;

3 (14) to make more effective the various research
4 activities sponsored by the United States Department of
5 Agriculture by providing for the separate administration
6 of action programs and research work;

7 (15) to facilitate farm home ownership by farm
8 operators through improving and safeguarding the feder-
9 ally sponsored credit services available to farm operators;

10 (16) to encourage producers, processors, distribu-
11 tors, and consumers to enter into marketing agreements
12 for the supplying of adequate quantities of selected farm
13 products at a reasonable and assured price; and

14 (17) to accumulate certain revenues for judicious
15 use in the support of prices of highly perishable products,
16 including fresh fruits, vegetables, milk, and eggs, in
17 facilitating distribution for diet improvement of low-
18 income families and school children, and in stimulating
19 improved nutrition.

20 TITLE I—REORGANIZATION

21 DECENTRALIZATION OF FUNCTIONS

22 SEC. 101. The Secretary of Agriculture (hereinafter
23 called the "Secretary") shall establish an agency, to be
24 known as the "Bureau of Agricultural Conservation and Im-
25 provement", to exercise all functions of the Secretary and of

1 the various bureaus and agencies within the Department of
2 Agriculture which (1), prior to the enactment of this Act,
3 were assigned to the Soil Conservation Service or to the
4 Agricultural Conservation Programs Branch of the Produc-
5 tion and Marketing Administration, or (2) the Secretary
6 deems to be principally related to soil conservation and
7 improvement or to those aspects of programs of the Depart-
8 ment of Agriculture which require direct dealings by the
9 Department with farmers; except that, subject to the super-
10 vision and direction of the Secretary—

11 (a) the educational, informational, and demon-
12 strational features of such functions shall be exercised,
13 in the several States, Alaska, Hawaii, and Puerto Rico,
14 through the Extension Service of the United States
15 Department of Agriculture in cooperation with the agen-
16 cies performing cooperative agricultural extension work;

17 (b) the research and investigational features of such
18 functions shall be exercised through the agricultural ex-
19 periment stations in the several States, Alaska, Hawaii,
20 and Puerto Rico in cooperation with the Division of
21 Soil Conservation and Improvement, hereinafter pro-
22 vided for, in the Office of Experiment Stations; and

23 (c) such functions, except as provided by clauses
24 (a) and (b) of this section, shall within the continental
25 United States be performed at State and county levels,

1 insofar as the Secretary may deem practicable, by the
2 State agricultural councils and by the county agricultural
3 associations and executive committees hereinafter pro-
4 vided for.

5 The functions assigned pursuant to this section to the State
6 agricultural councils and the agencies performing cooperative
7 agricultural extension work shall be closely coordinated by
8 the Secretary and by such councils and agencies. The
9 Secretary shall abolish the regional offices of the Soil
10 Conservation Service, and no regional offices shall be
11 established to perform functions formerly exercised by them;
12 except that, upon the request of the State agricultural
13 councils for any two or more States, the Secretary may
14 establish a regional office to perform for such States the
15 functions for which such office is requested. In the event a
16 regional office is established pursuant to such a request the
17 expenses of such office shall be paid in such amounts and
18 proportion as such State agricultural councils may agree from
19 funds which would otherwise be available for soil-conserva-
20 tion purposes in such States.

21 APPROPRIATIONS AVAILABLE FOR FUNCTIONS TO BE
22 PERFORMED AS COOPERATIVE EXTENSION WORK

23 SEC. 102. (a) (A) Any sums heretofore or hereafter
24 appropriated, other than as grants-in-aid, and available for
25 functions which the Secretary determines to be functions

1 required by section 101 (a) of this Act to be exercised
2 through the Extension Service and cooperating agencies in
3 the several States and the Territory of Hawaii, to the ex-
4 tent that such funds are available at the time the Secretary
5 makes such determination, and (B) any sums appropriated
6 specifically for functions covered by section 101 (a), shall
7 be paid to the several States and the Territory of Hawaii in
8 the same manner and subject to the same conditions and
9 limitations as the additional sums appropriated under the Act
10 entitled "An Act to provide for cooperative agricultural ex-
11 tension work between the agricultural colleges in the several
12 States receiving the benefits of the Act of Congress approved
13 July 2, 1862, and all Acts supplementary thereto, and the
14 United States Department of Agriculture", approved May 8,
15 1914 (U. S. C., title 7, secs. 341-343, 344-348), except
16 that—

17 (1) not more than 2 per centum of the sums so
18 appropriated and available in each fiscal year shall be
19 available for paying expenses of the Extension Service
20 of the United States Department of Agriculture; and

21 (2) the remainder of the sums so appropriated and
22 available in each fiscal year shall be paid to the several
23 States and the Territory of Hawaii, without any require-
24 ment that equal sums be provided from any other
25 sources, in the same proportions as the sums appropriated

1 for such fiscal year pursuant to section 23 of the Act
2 entitled "An Act to provide for research into basic laws
3 and principles relating to agriculture and to provide for
4 the further development of cooperative agricultural ex-
5 tension work and the more complete endowment and
6 support of land-grant colleges", approved June 29,
7 1935, as amended (U. S. C., title 7, sec. 343d-1).

8 (b) The sums paid pursuant to this section shall be in
9 addition to and not in substitution for sums appropriated
10 under such Act of May 8, 1914, as amended and supple-
11 mented, or sums otherwise appropriated for agricultural ex-
12 tension work. Allotments to any State or the Territory of
13 Hawaii for any fiscal year as provided by this section shall
14 be available for payment to such State or the Territory of
15 Hawaii only if such State or the Territory of Hawaii complies,
16 for such fiscal year, with the provisions with reference to off-
17 set of appropriations (other than appropriated funds allotted
18 pursuant to this section) for agricultural extension work.

19 DIVISION OF SOIL CONSERVATION AND IMPROVEMENT

20 SEC. 103. The Secretary shall establish within the Office
21 of Experiment Stations a division to be known as the
22 "Division of Soil Conservation and Improvement", to exer-
23 cise the functions assigned to it pursuant to section 101 (b)
24 of this Act. Not more than three per centum of any Fed-
25 eral funds made available for research projects supervised by

1 the Division of Soil Conservation and Improvement shall be
2 available for the expenses of the division.

3 APPROPRIATIONS AVAILABLE FOR FUNCTIONS TRANS-
4 FERRED TO EXPERIMENT STATIONS

5 SEC. 104. The Secretary is authorized to make avail-
6 able from any funds heretofore or hereafter appropriated,
7 other than as grants-in-aid, for functions which pursuant to
8 section 101 (b) are to be exercised through the agricultural
9 experiment stations in the several States, Alaska, Hawaii,
10 and Puerto Rico such sums as he may deem appropriate for
11 allotment to such agricultural experiment stations. The
12 sums so allotted shall be in addition to and not in substitution
13 for sums otherwise appropriated for the work of such agri-
14 cultural experiment stations.

15 COORDINATION OF RESEARCH AND EDUCATIONAL WORK

16 SEC. 105. (a) The Secretary shall establish an agency
17 to be known as the "Economic and Social Science Adminis-
18 tration" and shall transfer to it the Bureau of Agricultural
19 Economics, the Office of Foreign Agricultural Relations, the
20 Office of Administrator, Research and Marketing Act, and
21 all research of the United States Department of Agriculture
22 in economics and related social sciences which the Secretary
23 determines to be basic, rather than merely incidental to the
24 administration of programs not principally involving research.

1 (b) The Agricultural Research Administration shall
2 hereafter be known as the "Natural and Physical Science
3 Administration" and the Secretary shall transfer to it all
4 research of the United States Department of Agriculture in
5 the natural and physical sciences which the Secretary deter-
6 mines to be basic, rather than merely incidental to the admin-
7 istration of programs not principally involving research.

8 (c) The research and educational functions of the United
9 States Department of Agriculture and its relationship with
10 the several States with respect to research and education,
11 including the functions of the Natural and Physical Science
12 Administration, the Economics and Social Sciences Adminis-
13 tration, the Office of Experiment Stations, which shall not
14 be a part of the Natural and Physical Sciences Adminis-
15 tration, the Extension Service, and such other agencies of
16 the Department of Agriculture as the Secretary may desig-
17 nate, shall be coordinated by a Coordinator of Research and
18 Education, who shall be appointed by the Secretary for a
19 seven-year term, and shall be removable only by the Presi-
20 dent. In making such appointment the Secretary shall con-
21 sider nominations submitted by the Association of Land-Grant
22 Colleges and Universities, which shall be requested to submit
23 not less than five nominations and such additional number
24 as the Secretary may request.

1 COUNTY, STATE, AND NATIONAL AGRICULTURAL ASSO-
2 CIATIONS, EXECUTIVE COMMITTEES, AND COUNCILS
3 COUNTY AGRICULTURAL ASSOCIATIONS

4 SEC. 106. The farmers within each local administrative
5 area of the continental United States as hereinafter provided
6 for, or participating or cooperating in any soil conservation
7 or improvement program administered within such area,
8 shall elect annually from among their number a member of
9 a county agricultural association for the county in which such
10 area is situated. In any county in which only one such area
11 is situated, five members of the county agricultural asso-
12 ciation shall be elected from such area; in any county in
13 which only two such areas are situated, three members shall
14 be elected from each such area; and in any county in which
15 three or four such areas are situated, two members shall be
16 elected from each such area. Vacancies occurring among
17 the elected members of a county agricultural association
18 between annual elections shall be promptly filled by election
19 by the association from among the farmers of the local
20 administrative areas with respect to which such vacancies
21 respectively occur. No member shall be elected for four
22 full consecutive terms. The agricultural extension agent,
23 and the chairman of the committee appointed by the Secre-
24 tary pursuant to section 42 of the Bankhead-Jones Farm

1 Tenant Act, for each county shall be members, ex officio,
2 of the county agricultural association for such county. If
3 one such committee is appointed for a group of two or
4 more counties the chairman shall be a member, ex officio,
5 only of the county agricultural association for the county
6 in which he resides. Members of boards of supervisors of
7 soil conservation, grass conservation, wind erosion, and
8 irrigation districts shall be ex-officio members of the
9 county agricultural associations for the counties in which
10 they reside; except that (1) if in any county their
11 number exceeds the number of elected members of the
12 county agricultural association of such county, only such
13 of them as they may from time to time agree upon, num-
14 bering at least one less than the number of elected members,
15 shall serve as ex-officio members of such county agricultural
16 association, and (2) if more than one member of any such
17 board of supervisors resides in the same county, only such
18 member as such board may designate may serve as an
19 ex-officio member of the county agricultural association for
20 such county. The county agricultural association, thus
21 constituted, shall perform within the county the functions
22 assigned to it pursuant to section 101 (c) of this Act and
23 such other functions as the Secretary may assign to it. It
24 shall meet at such times as it may specify, or upon call of
25 the chairman of the county agricultural executive committee

1 for such county. The local administrative areas designated
2 by the Secretary and serving on the date of enactment of
3 this Act as units for administration of programs under sec-
4 tion 8 of the Soil Conservation and Domestic Allotment Act
5 shall serve as local administrative areas for the purposes
6 of this section, but each county agricultural association may
7 from time to time designate different local administrative
8 areas within its county for the purposes of this section.

9 COUNTY AGRICULTURAL EXECUTIVE COMMITTEES

10 SEC. 107. Each county agricultural association shall
11 elect annually from among its elected members (1) not less
12 than three and not more than five, as determined by the
13 association, members of a county agricultural executive com-
14 mittee, designating one of such members to be chairman, one
15 to be vice chairman, and one to be secretary, of such com-
16 mittee, and (2) first and second alternates. Vacancies
17 occurring among the elected members of such committee
18 between annual elections shall be filled for the unexpired
19 terms by the first and second alternates in that order, or, if
20 there are no alternates available, by election by the county
21 agricultural association, and at such election first and second
22 alternates again shall be elected. Vacancies in the offices of
23 chairman, vice chairman, and secretary occurring between
24 annual elections shall be filled for the unexpired terms by
25 election by such committee from among its members. No

1 member shall be elected for four full consecutive terms.
2 The agricultural extension agent for each county shall be a
3 member, ex officio, but without vote, of the county agri-
4 cultural executive committee for such county. Subject to
5 the supervision and direction of the county agricultural asso-
6 ciation, the county agricultural executive committee shall,
7 through personnel employed by it, perform within the
8 county the functions assigned to it pursuant to section 101
9 (c) of this Act and such other functions as the secretary
10 may assign to it.

11 STATE AGRICULTURAL COUNCILS

12 SEC. 108. For each State of the United States there
13 shall be a State agricultural council consisting of the ex-
14 officio members hereinafter specified, four elected members,
15 and as many additional elected members as may be specified
16 in accordance with the provisions of this section; but the
17 number of additional members so specified shall not exceed
18 either (1) six, or (2) one for each full twenty counties in
19 the State, plus one if the number of counties in the State
20 is not evenly divisible by twenty and exceeds by more than
21 ten the multiple of twenty which it least exceeds. The
22 Commissioner (or Secretary or Director, as the case may
23 be) of Agriculture, or his designee, the Director of the
24 Agricultural Experiment Stations, or his designee, and the
25 Director of the Agricultural Extension Service, or his des-

1 ignee, for such State shall be the ex-officio members.
2 The number of additional members, if any, to be elected
3 shall be specified by the ex-officio members for the
4 election first after the enactment of this Act and by
5 the State agricultural council for subsequent elections.
6 The members to be elected in any year, and first and
7 second alternates, shall be elected by the chairmen of the
8 county agricultural executive committees of the State, meet-
9 ing together for that purpose, but not more than half of
10 those to be elected shall be elected from among the number
11 of such chairmen. The members first elected after the enact-
12 ment of this Act shall be elected for three-, two-, and one-
13 year terms in as nearly equal groups as may be possible
14 as follows: Not less than one-third of the number to be
15 elected shall first be elected, to serve for three-year terms;
16 not less than one-half of the number remaining to be elected
17 shall then be elected, to serve for two-year terms; and the
18 number then remaining to be elected shall then be elected
19 to serve for one-year terms. Should the number of mem-
20 bers to be elected at any election after the first election be
21 increased in accordance with the provisions of this section,
22 the additional members so added shall be elected for terms
23 of one, two, or three years in such manner that the number
24 of terms expiring in succeeding years shall, as nearly as
25 may be possible, be equal. Successors of all elected mem-

1 bers shall be elected for three-year terms. Any decrease,
2 after the first election, in the number of members to be
3 elected shall be made by allowing terms to expire without
4 electing successors in such manner that the number of terms
5 expiring annually after the decrease has been completed shall,
6 as nearly as may be possible, be equal. Vacancies occur-
7 ring among the elected members shall be filled for the
8 unexpired terms by the first and second alternates in that
9 order, or, if there be no alternates available, by election by
10 the chairmen of the county agricultural executive commit-
11 tees, conducted by mail or in such manner as may be
12 determined by the State agricultural council, and at such
13 election first and second alternates again shall be elected.
14 No member shall be elected for any term which, with any
15 previous periods of service by him as a member, would exceed
16 five years during any six-year period.

17 The State agricultural council shall develop plans to
18 effectuate the purposes of section 7 of the Soil Conservation
19 and Domestic Allotment Act in its State, and shall perform
20 the functions assigned to it pursuant to section 101 (c) of
21 this Act and such other functions within its State as the
22 Secretary may assign to it. It shall elect from among its
23 number a chairman, vice chairman, and secretary, and shall
24 employ a State administrator and such other personnel as it
25 may deem necessary to carry out its functions. In carrying

1 out the functions assigned to it, and subject to the approval
2 of the Secretary, it may enter into arrangements with (1)
3 the Agricultural Extension Service in its State for the conduct
4 of educational and demonstrational programs and (2) State
5 agricultural councils of other States for cooperation on mat-
6 ters of mutual interest. Federal grants-in-aid for programs
7 administered by the State council shall be disbursed by the
8 appropriate agency of the State only pursuant to direction
9 by the State agricultural council. Any grants-in-aid or other
10 funds allocated to a State for programs administered by the
11 State agricultural council may be withheld or recalled by
12 the Secretary if he determines that such council is not faith-
13 fully administering the programs assigned to it.

14 ADMINISTRATIVE EXPENSES

15 SEC. 109. The Secretary is authorized and directed, from
16 any funds made available for the purposes of the Acts in
17 connection with which State agricultural councils, county
18 agricultural associations, or county agricultural executive
19 committees may be utilized, to make payments to such coun-
20 cils, associations, or committees to cover the estimated admin-
21 istrative expenses incurred or to be incurred by them in
22 carrying out the functions assigned to them under such Acts.
23 All or part of such administrative expenses of any such
24 council, association, or committee may be deducted pro rata

1 from the Soil Conservation Act payments, parity payments,
2 or loans, or other payments or grants-in-aid under such Acts,
3 unless payment of such expenses is otherwise provided by
4 law. The Secretary may make such payments in advance
5 of determination of performance. The administrative ex-
6 penses covered by such payments shall not include compensa-
7 tion for services of council, association, and committee mem-
8 bers except as follows:

9 (a) Each elected member of a State agricultural
10 council shall be entitled to compensation, at such rates
11 as may be fixed by the Secretary, for time actually spent
12 by him in the work of the council not exceeding an
13 average of eight hours per week for his period of service
14 as such member; and

15 (b) Each elected member of a county agricultural
16 executive committee shall be entitled to compensation,
17 at such rate as may be fixed by the appropriate State
18 agricultural council, for time actually spent by him in
19 the work of the committee, not exceeding an average of
20 four hours per week for his period of service as such
21 member.

22 Subject to such limitations as the Secretary may prescribe,
23 such council, association, and committee members shall also
24 be entitled to their reasonable expenses incurred in serving
25 as such members. No such member shall, out of any

1 amounts paid by the Secretary, be paid for performing any
2 services in addition to his services as member for any such
3 council, association, or committee, but a member may resign
4 as member in order to accept employment by a council,
5 association, or committee. The Secretary shall make such
6 regulations as are necessary relating to the selection and
7 exercise of the functions of such councils, associations, and
8 committees, respectively. A county agricultural association
9 may, except as may be disapproved by the Secretary, accept,
10 in addition to the amounts paid to it by the Secretary, funds
11 from other sources to be utilized for agricultural purposes.

12 NATIONAL AGRICULTURAL COUNCIL

13 SEC. 110. (a) There is hereby established a National
14 Agricultural Council consisting of (1) four members repre-
15 senting the interests of producers, processors, distributors,
16 and consumers of agricultural products, not more than two of
17 whom shall be affiliated with the same political party, to
18 be appointed by the President (after receiving the recom-
19 mendations of the Secretary), with the advice and consent
20 of the Senate; (2) four members representing the north-
21 eastern, southern, midwestern, and western regions of the
22 United States, to be elected by the chairmen of the State
23 agricultural councils from among the elected members of
24 the State agricultural councils; and (3) one member ap-
25 pointed by the Association of Land-Grant Colleges and

1 Universities. Appointed members shall be subject to re-
2 moval by the appointing power. No appointed member
3 shall serve for more than four consecutive years. The elected
4 members first elected after the enactment of this Act shall
5 be elected, respectively, as designated by the chairmen of the
6 State agricultural councils, to serve for four, three, two, and
7 one year terms. Their successors shall serve for four year
8 terms. No member shall be elected for a term which, with
9 any previous periods of service by him as a member, would
10 exceed six years during any seven-year period. Any
11 vacancy in such Council shall not affect its powers, but
12 shall be filled in the same manner in which the original
13 appointment or election was made, but, in the case of elec-
14 tion, only for the unexpired term. Such Council shall elect
15 a chairman and a vice chairman from among its members.
16 Members shall receive compensation for their services as
17 members at the rate of \$— per diem when engaged in the
18 performance of duties vested in the National Agricultural
19 Council, but not less than \$—— nor more than \$——
20 per annum, plus reimbursement for transportation expenses
21 incurred by them in the performance of such duties. They
22 shall not be reimbursed for personal expenses other than
23 transportation expenses.

24 (b) The National Agricultural Council shall have power
25 to appoint and fix the compensation of such personnel as it

1 deems advisable, in accordance with the provisions of the
2 civil-service laws and the Classification Act of 1923, as
3 amended: *Provided*, That it may also procure, without
4 regard to the civil-service laws and classification laws, tem-
5 porary and intermittent services to the same extent as is
6 authorized for the departments by section 15 of the Act of
7 August 2, 1946 (Public Law 600, Seventy-ninth Congress;
8 60 Stat. 810), but at rates not to exceed \$— per diem for
9 individuals. It may also establish temporary committees,
10 including representatives of producers, industry, govern-
11 ment, and science, to assist and advise it; and may pay the
12 expenses of such committees and the members thereof in-
13 curred in carrying out their duties.

14 (c) The National Agricultural Council shall—

15 (1) make such studies and investigations of agri-
16 cultural matters and phases of the work of the Depart-
17 ment of Agriculture as it deems appropriate;

18 (2) advise the Secretary and the Congress with
19 respect to such agricultural matters as it may deem
20 appropriate, or the Secretary or any committee of the
21 Congress may request;

22 (3) determine from time to time, in the light of
23 changing conditions of supply and demand, the adequacy,
24 or necessity for adjustment, of the levels of price support

1 provided for by section 302 of the Agricultural Adjust-
2 ment Act of 1938; and

3 (4) annually, and at such other times as it may
4 deem appropriate, report to the Secretary, the Committee
5 on Agriculture and Forestry of the Senate, and the Com-
6 mittee on Agriculture of the House of Representatives
7 its findings and recommendations concerning such agri-
8 cultural matters as it deems appropriate to bring to the
9 attention of the Secretary and the Congress.

10 (d) The National Agricultural Council, or any
11 member thereof, may, for the purpose of carrying out
12 the provisions of this section, hold such hearings and sit
13 and act at such times and places, and take such testi-
14 mony, as such Council or such member may deem
15 advisable. Any member of such Council may admin-
16 ister oaths or affirmations to witnesses appearing before
17 such Council or before such member. Such Council
18 is authorized to secure directly from any executive de-
19 partment, bureau, agency, board, commission, office,
20 independent establishment, or instrumentality, informa-
21 tion, suggestions, estimates, and statistics for the pur-
22 pose of this section; and each such department, bureau,
23 agency, board, commission, office, establishment, or
24 instrumentality is authorized and directed to furnish such
25 information, suggestions, estimates, and statistics directly

1 to such Council, upon request made by the chairman
2 or vice chairman.

3 (e) There are hereby authorized to be appropriated
4 to carry out the provisions of this section such sums as
5 Congress may from time to time determine to be
6 necessary.

7 MEMBERSHIP LIMITED TO ONE COUNCIL OR ASSOCIATION

8 SEC. 111. No person shall be a member of more than
9 one council or association established pursuant to this Act.

10 Election of any chairman of a county agricultural executive
11 committee to be a member of a State agricultural council
12 shall cause the offices he holds as a member of a county
13 agricultural association and a member of a county agricul-
14 tural executive committee to become vacant. Election of
15 any member of a State agricultural council to be a member
16 of the National Agricultural Council shall cause the office
17 he holds as member of a State agricultural council to
18 become vacant.

19 FARMERS' HOME ADMINISTRATION

20 SEC. 112. The Secretary shall, as rapidly as he deems
21 expedient, (1) transfer the functions of the Farmers' Home
22 Administration to be performed within each State to the
23 State agricultural council for such State; (2) make available
24 to such council to assist it in the performance of the functions
25 so transferred such employees of the Department of Agri-

1 culture as the Secretary and such council may deem neces-
2 sary; and (3) allocate to such State such portion of the
3 appropriated funds available for administering the functions
4 of the Farmers' Home Administration as he deems necessary
5 for performance of the functions so transferred. In perform-
6 ing such transferred functions such council shall utilize the
7 county committees, if any, appointed by the Secretary pur-
8 suant to section 42 of the Bankhead-Jones Farm Tenant
9 Act and the county agricultural associations. The Secretary
10 shall consider nominations by such council in appointing
11 members of committees pursuant to such section 42, and upon
12 its recommendation may (A) abolish such committee in any
13 county, or (B) treating a group of two or more counties
14 as a single county for the purposes of such section, appoint
15 one such committee for the group in lieu of appointing a
16 committee for each of such counties. Any funds allocated
17 to any State as provided in this section and not required
18 for the administration of the transferred functions shall, at
19 the end of the fiscal year for which appropriated, be paid
20 to the State agricultural council of such State to be dis-
21 bursed by it for soil conservation and improvement purposes.

22 EXPERIMENTAL PROGRAMS

23 SEC. 113. For the purpose of testing any program,
24 or phase thereof, which the Secretary is authorized but
25 not required to carry out, relating to the production, dis-

1 tribution, or utilization of agricultural commodities or to
 2 any other agricultural matter, the Secretary is authorized
 3 to select not more than ten counties distributed throughout
 4 the area to which such program or phase might be made
 5 applicable and make such program or phase applicable to
 6 such counties on an experimental basis.

7 TITLE II—AMENDMENTS TO SOIL CONSERVA- 8 TION AND DOMESTIC ALLOTMENT ACT

9 UTILIZATION OF LOCAL ORGANIZATIONS IN STATE PLANS

10 SEC. 201. Section 7 (d) of the Soil Conservation and
 11 Domestic Allotment Act is amended by inserting at the
 12 end thereof the following:

13 “No such plan submitted by a State of the United States
 14 shall be approved by the Secretary unless it has been ap-
 15 proved by the State agricultural council created pursuant
 16 to section 108 of the Agricultural Act of 1948; and by its
 17 terms provides—

18 “(A) that any sum to be allocated by the Secretary
 19 to carry out the plan shall be disbursed by the appro-
 20 priate agency of the State only pursuant to direction by
 21 the State agricultural council, and

22 “(B) that (i) the State agricultural council, and
 23 (ii) the county agricultural associations and county
 24 agricultural executive committees created pursuant to

1 sections 106 and 107 of the Agricultural Act of 1948,
2 shall respectively, if authorized by the State, be adminis-
3 tering and participating agencies as provided in clauses
4 (1) and (2) of this subsection”.

5 EXTENSION OF NATIONAL PAYMENT PROGRAMS

6 SEC. 202. Section 8 (a), as amended, of the Soil Con-
7 servation and Domestic Allotment Act is amended (a) by
8 striking out “January 1, 1949” wherever appearing therein
9 and inserting in lieu thereof “January 1, 1953”, and (b) by
10 striking out “December 31, 1948” and inserting in lieu
11 thereof “December 31, 1952”.

12 UTILIZATION OF LOCAL ORGANIZATIONS IN NATIONAL
13 PROGRAMS

14 SEC. 203. Section 8 (b) of the Soil Conservation and
15 Domestic Allotment Act is amended to read as follows:

16 “(b) Subject to the limitations provided in subsection
17 (a) of this section, the Secretary shall have power to carry
18 out the purposes specified in clauses (1), (2), (3), (4),
19 and (5) of section 7 (a) by making payments or grants of
20 other aid to agricultural producers, including tenants and
21 sharecroppers, in amounts determined by the Secretary to
22 be fair and reasonable in connection with the effectuation of
23 such purposes during the year with respect to which such
24 payments or grants are made, and measured by (1) their
25 treatment or use of their land, or a part thereof, for soil

1 restoration, soil conservation, or the prevention of erosion;
2 (2) changes in the use of their land; (3) their equitable
3 share as determined by the Secretary, of the normal national
4 production of any commodity or commodities required for
5 domestic consumption; or (4) their equitable share, as de-
6 termined by the Secretary, of the national production of any
7 commodity or commodities required for domestic consumption
8 and exports adjusted to reflect the extent to which their
9 utilization of cropland on the farm conforms to farming prac-
10 tices which the Secretary determines will best effectuate the
11 purposes specified in section 7 (a) ; or (5) any combination
12 of the above. In arid or semiarid sections, (1) and (2)
13 above shall be construed to cover water conservation and
14 the beneficial use of water on individual farms, including
15 measures to prevent run-off, the building of check dams and
16 ponds, and providing facilities for applying water to the land.
17 In determining the amount of any payment or grant meas-
18 ured by (1) or (2) the Secretary shall take into considera-
19 tion the productivity of the land affected by the farming
20 practices adopted during the year with respect to which
21 such payment is made. In carrying out the provisions of this
22 section in the continental United States, the Secretary is
23 directed to utilize the State agricultural councils and county
24 agricultural associations and executive committees created
25 pursuant to the Agricultural Act of 1948. In carrying out

1 the provisions of this section, the Secretary shall, as far as
2 practicable, protect the interests of tenants and sharecroppers;
3 is authorized to utilize the agricultural extension service and
4 other approved agencies; shall accord such recognition and
5 encouragement to producer-owned and producer-controlled
6 cooperative associations as will be in harmony with the
7 policy toward cooperative associations set forth in existing
8 Acts of Congress and as will tend to promote efficient
9 methods of marketing and distribution; shall not have power
10 to acquire any land or any right or interest therein; shall, in
11 every practicable manner, protect the interests of small pro-
12 ducers; and shall in every practical way encourage and pro-
13 vide for soil-conserving and soil-rebuilding practices rather
14 than the growing of soil-depleting crops. Rules and regula-
15 tions governing payments or grants under this subsection
16 shall be as simple and direct as possible, and, wherever
17 practicable, they shall be classified on two bases: (a) Soil-
18 depleting crops and practices, (b) soil-building crops and
19 practices. Notwithstanding any other provision of law in
20 making available conservation materials consisting of seeds,
21 seed inoculants, fertilizers, liming and other soil-conditioning
22 materials, trees, or plants, or in making available soil-con-
23 serving or soil-building services, to agricultural producers
24 under this subsection, the Secretary may make payments,
25 in advance of determination of performance by the producers,

1 to persons who fill purchase orders covering approved con-
2 servation materials or covering soil-conserving or soil-building
3 services, furnished to producers at not to exceed a fair price
4 fixed in accordance with regulations to be prescribed by the
5 Secretary, or who render services to the Secretary in deliver-
6 ing to producers approved conservation materials, for the
7 carrying out, by the producers, of soil-building or soil-con-
8 serving practices approved by the Secretary.

9 “Appropriations are hereby authorized for the purchase
10 in advance of the program year for which the appropria-
11 tion is made of seeds, fertilizers, lime, trees, or any other
12 farming materials or any soil-terracing services, and making
13 grants thereof to agricultural producers to aid them in carry-
14 ing out farming practices approved by the Secretary in pro-
15 grams under this Act, as amended; for the reimbursement
16 of any Federal, State, or local government agency for fer-
17 tilizers, seeds, lime, trees, or other farming materials, or
18 any soil-terracing services, furnished by such agency; and
19 for the payment of all expenses necessary in making such
20 grants, including all or part of the costs incident to the de-
21 livery thereof.”

22 SEC. 204. The Soil Conservation and Domestic Allot-
23 ment Act is amended—

24 (a) By striking out the first word of section 8 (e)

1 and inserting in lieu thereof "Subject to the provisions of
2 section 18 of this Act, payments";

3 (b) By striking out the proviso contained in section 8
4 (e) ; and

5 (c) By adding at the end thereof the following new
6 section:

7 "SEC. 18. Payments or grants of aid to farmers in any
8 State, under a State plan or by the Secretary, for soil-build-
9 ing or soil-conserving practices shall be—

10 "(a) made only for such practices as may be
11 approved by the State agricultural council and the
12 Secretary;

13 "(b) made, except with respect to farms desig-
14 nated as demonstration or experimental farms, only
15 for practices which the State agricultural council and
16 the Secretary determine have long-term conservation
17 and improvement value; and

18 "(c) divided among the landlords, tenants, and
19 sharecroppers of any farm, with respect to which such
20 payments are made, on the basis of relative value of
21 their contributions to, and benefits received from, such
22 practices in such manner as may be provided by the
23 State agricultural council with the approval of the
24 Secretary.

25 "Beginning with the calendar year 1949, the total pay-

1 ments for any year to any person, under all State plans
2 and otherwise under this Act, not including payments made
3 with respect to demonstration or experimental farms, shall
4 not exceed \$——; but programs under this Act may provide
5 that, at the election of the owner of any farm, soil conserva-
6 tion or improvement practices taken with respect to such
7 farm in any year which have long-term effect may form
8 the basis for payments in such year and not to exceed the
9 succeeding four years with respect to such farm.”

10 SEC. 205. Section 11 of the Soil Conservation and
11 Domestic Allotment Act is amended to read as follows:

12 “SEC. 11. All funds available for carrying out this Act
13 shall be available for allotment to the bureaus and offices
14 of the Department of Agriculture and for transfer to such
15 other agencies of the Federal or State Governments as the
16 Secretary may request to cooperate or assist in carrying
17 out this Act, and for payments to State agricultural councils
18 or county agricultural associations or executive committees
19 to cover the estimated administrative expenses to be in-
20 curred by any such council, association, or committee in
21 cooperating in carrying out this Act: *Provided*, That the
22 Secretary may prescribe that all or part of such estimated
23 expenses of any such council, association, or committee may
24 be deducted pro rata from the payments or grants made to
25 the members thereof: *And provided further*, That the Sec-

1 retary may make such payments in advance of determination
2 of performance.”

3 TITLE III—AMENDMENTS TO THE AGRICUL-
4 TURAL ADJUSTMENT ACT OF 1938

5 DEFINITIONS OF “PARITY PRICE”, “CARRY OVER”, “NORMAL
6 SUPPLY”, AND “TOTAL SUPPLY”

7 SEC. 301. Section 301 of the Agricultural Adjustment
8 Act of 1938 is amended—

9 (a) By striking out paragraphs (1) and (2) of sub-
10 section (a) and inserting in lieu thereof the following:

11 “(1) (A) The ‘parity price’ for any agricultural com-
12 modity, as of any date, shall be—

13 (i) that price for the commodity which will give
14 to the commodity a purchasing power with respect to
15 articles that farmers buy equivalent to the purchasing
16 power of such commodity in the base period; and in the
17 case of all commodities for which the base period is the
18 period August 1909 to July 1914, which will also
19 reflect current interest payments per acre on farm in-
20 debtedness secured by real estate, tax payments per
21 acre on farm real estate, and freight rates, as contrasted
22 with such interest payments, tax payments, and freight
23 rates during the base period; or

24 (ii) the alternative parity price for the commodity

1 determined as provided in subparagraph (B) of this
2 paragraph,

3 whichever is higher. For the purpose of clause (i) of the
4 preceding sentence the base period shall be the period
5 August 1909 to July 1914 in the case of all agricultural
6 commodities except tobacco, the period August 1919 to
7 July 1929 in the case of all kinds of tobacco except Burley
8 and flue-cured, and the period August 1934 to July 1939
9 in the case of Burley and flue-cured tobacco.

10 “(B) The ‘alternative parity price’ for any agricultural
11 commodity, as of any date, shall be determined by multiply-
12 ing the adjusted base price of such commodity as of such date
13 by the parity index as of such date.

14 “(C) The ‘adjusted base price’ of any agricultural com-
15 modity, as of any date, shall be (i) the average of the
16 prevailing prices received by farmers for such commodity,
17 at such times as the Secretary may select, during the ten-
18 year period ending on the 31st of December last before such
19 date, or during the marketing seasons ending in such period
20 if the Secretary determines use of a calendar year basis to
21 be impracticable, divided by (ii) the ratio of the general
22 level of prices received by farmers for agricultural com-
23 modities during such period to the general level of prices
24 received by farmers for agricultural commodities during the
25 period January 1910 to December 1914, inclusive.

1 “(D) The ‘parity index’, as of any date, shall be the
 2 ratio of (i) the general level of prices for articles and services
 3 that farmers buy, interest on farm indebtedness secured by
 4 farm real estate, and taxes on farm real estate, for the
 5 calendar month ending last before such date to (ii) the
 6 general level of such prices, rates, and taxes during
 7 the period January 1910 to December 1914, inclusive.

8 “(E) The prices and indices provided for herein, and
 9 the data used in computing them, shall be determined by
 10 the Secretary, whose determination shall be final.

11 “(2) ‘Parity’, as applied to income, shall be that gross
 12 income from agriculture which will cover the necessary costs
 13 of production including the cost of maintaining the farm
 14 plant and equipment, and will provide the farm operator and
 15 his family with opportunities for living equivalent to those
 16 afforded persons dependent upon other gainful occupation.
 17 ‘Parity’ as applied to income from any agricultural com-
 18 modity for any year, shall be that gross income which bears
 19 the same relationship to parity income from agriculture for
 20 such year as the average gross income from such commodity
 21 for the preceding ten calendar years bears to the average
 22 gross income from agriculture for such ten calendar years.”

23 (b) By amending paragraph (3) (A) of subsection
 24 (b) to read as follows:

25 “(A) ‘Carry-over’, in the case of corn, rice, peanuts,

1 oats, barley, and rye, for any marketing year shall be the
2 quantity of the commodity on hand in the United States at
3 the beginning of such marketing year, not including any
4 quantity which was produced in the United States during the
5 calendar year then current.”

6 (c) By amending paragraph (3) (B) of subsection
7 (b) to read as follows:

8 “(B) ‘Carry-over’ of cotton for any marketing year
9 shall be the quantity of cotton on hand either within or
10 without the United States at the beginning of such market-
11 ing year, which was produced in the United States prior to
12 the beginning of the calendar year then current, plus the
13 quantity on hand within the United States at the beginning
14 of such marketing year which was produced outside the
15 United States.”

16 (d) By striking out of paragraph (3) (C) of sub-
17 section (b) “which was produced in the United States prior
18 to the beginning of” and inserting in lieu thereof “not
19 including any tobacco which was produced in the United
20 States during”.

21 (e) By inserting after paragraph 3 (D) the following
22 new paragraph:

23 “(E) ‘Carry-over’, in the case of wool for any market-
24 ing year shall be the quantity of wool on hand in the United
25 States at the beginning of such marketing year, which was

1 produced in the United States prior to the beginning of such
2 marketing year.”

3 (f) By striking out the period at the end of paragraph
4 (7) and inserting in lieu thereof a semicolon and the follow-
5 ing additional line: “wool, January 1, December 31.”

6 (g) By striking out paragraph (10) of subsection (b)
7 and inserting in lieu thereof the following:

8 “(10) ‘Normal supply’ in the case of any commodity
9 for any marketing year shall be the adjusted average total
10 supply of such commodity for the ten marketing years imme-
11 diately preceding such marketing year, computed by (A)
12 determining the actual average total supply for such period;
13 (B) increasing such actual average by 10 per centum of
14 the amount by which the total supply for each marketing
15 year used in computing such actual average was less than
16 80 per centum of such actual average; and (C) decreasing
17 such actual average by 10 per centum of the amount by which
18 the total supply for each marketing year used in computing
19 such actual average exceeded 120 per centum of such actual
20 average.”

21 (h) By amending paragraph (16) of subsection (b)
22 to read as follows:

23 “(A) ‘Total supply’ of cotton, wheat, corn, rice, pea-
24 nuts, and wool for any marketing year shall be the carry-
25 over of the commodity for such marketing year, plus the

1 quantity produced in the United States during the calendar
2 year in which such marketing year begins and, except in the
3 case of wool, the quantity imported into the United States
4 during such marketing year.

5 “(B) ‘Total supply’ of tobacco for any marketing year
6 shall be the carry-over at the beginning of such marketing
7 year plus the quantity produced in the United States during
8 the calendar year in which such marketing year begins and
9 the quantity imported into the United States during such
10 marketing year, except that the production of type-46 tobacco
11 during the marketing year with respect to which the deter-
12 mination is being made shall be used in lieu of the production
13 of such type during the calendar year in which such market-
14 ing year begins in determining the total supply of cigar filler
15 and cigar binder tobacco.”

16 PRICE SUPPORT

17 SEC. 302. (a) Section 302 of the Agricultural Adjust-
18 ment Act of 1938, as amended, is amended to read as
19 follows:

20 “SEC. 302. (a) The Commodity Credit Corporation is
21 directed, through loans, purchases, or other operations, to
22 support prices received by producers for cotton, wheat, corn,
23 tobacco, rice, peanuts, and wool harvested after December
24 31, 1948, at levels determined in accordance with the pro-
25 visions of this section, but the price of peanuts shall be re-

quired to be supported only during marketing years in which marketing quotas are in effect, and only on the marketing quota for each farm. Just prior to the beginning of each marketing year for each such commodity, the Secretary shall, with respect to such marketing year and such commodity—

“(1) estimate the total supply;

“(2) determine the normal supply; and

“(3) determine the percentage which the estimated total supply is of the normal supply (such percentage being referred to herein as the ‘supply percentage’).

The level at which the price of such commodity for such marketing year shall be supported shall then be determined, on the basis of its parity price as of the beginning of such marketing year, from the following table:

“If the supply percentage is:	The level of support shall be the following percentage of the parity price:
Not more than 70_____	90
More than 70 but not more than 82_____	85
More than 82 but not more than 94_____	80
More than 94 but not more than 106_____	75
More than 106 but not more than 118_____	70
More than 118 but not more than 130_____	65
More than 130_____	60

If the National Agricultural Council established by section 110 of the Agricultural Act of 1948 shall, pursuant to the affirmative vote of a majority of all its members, find that, in view of changes in conditions of supply and demand, the interests of agriculture and the general public require that

1 the level of support for the price of a specified commodity
2 for a specified period be a specified percentage (not more
3 than 90 nor less than 60) of the parity price, different than
4 that determined for such commodity from the foregoing
5 table, and the Secretary shall approve such finding, the level
6 of support for such commodity for such period shall be the
7 percentage of the parity price so found to be required.

8 “(b) Adjustments shall be made in the price support
9 for any commodity for differences in grade, type, staple,
10 quality, and other factors, to reflect historical differences in
11 prices based on such factors. Such adjustments shall be
12 made in such manner that the average price support for
13 such commodity in each marketing year will, on the basis
14 of the historical incidence of such factors, be equal to the
15 level prescribed by subsection (a) of this section for such
16 marketing year.

17 “(c) (1) The Commodity Credit Corporation shall not
18 sell any farm commodity owned or controlled by it at less
19 than a price midway between the parity price and the level
20 of support for the price of such commodity for the marketing
21 year in which such sale is to be made, or at less than 90
22 per centum of the parity price therefor if the price therefor
23 is not supported in such marketing year, except that the
24 foregoing restrictions shall not apply to (A) sales for new

1 or byproduct uses; (B) sales of peanuts for the extraction
2 of oil; (C) sales for seed or feed: *Provided*, That no wheat
3 or corn shall be sold for feed at less than a price midway
4 between the parity price and the level of support for the
5 price of corn at the time such sale is made: *And provided*
6 *further*, That in making regional adjustments in the sale
7 price of corn or wheat for feed, the minimum price need
8 not be higher in any area than a price midway between the
9 parity price and the United States average level of support
10 for the price of corn; (D) sales of commodities which have
11 substantially deteriorated in quality or of nonbasic perish-
12 able commodities where there is danger of loss or waste
13 through spoilage; (E) sales for the purpose of establishing
14 claims against persons who have committed fraud, misrep-
15 resentation, or other wrongful acts with respect to the
16 commodity; (F) sales for export of any commodity other
17 than wheat, cotton, corn, oats, barley, or rye; and (G)
18 sales, for export only and at competitive world prices, of
19 any of the commodities listed in the following table to
20 the extent the Secretary deems advisable for the purpose
21 of reducing, to the quantity set out in the following table
22 for such commodity, the carry-over (as estimated by the
23 Secretary and including for this purpose only stocks within
24 the United States) of such commodity as of the beginning

1 of the marketing year for such commodity next succeeding
 2 the date of sale:

“Commodity:	Quantity
Wheat-----	500,000,000 bushels.
Cotton-----	5,000,000 bales.
Corn -----	500,000,000 bushels.
Corn, oats, barley, rye, and wheat consid- ered together.	1,000,000,000 bushels.

3 “For the purposes of this subsection the carry-over of
 4 corn, oats, barley, rye, and wheat, considered together, shall
 5 be determined by adding together the carry-overs estimated
 6 by the Secretary as above provided for each of such com-
 7 modities.”

8 (b) Section 381 (c) of the Agricultural Adjustment
 9 Act of 1938 is repealed.

10 (c) Section 21 (c) of the Surplus Property Act of 1944
 11 is amended by inserting after “any farm commodity” the
 12 following: “(except wheat, cotton, corn, oats, barley, or
 13 rye)”.

14 SEC. 303. The Agricultural Adjustment Act of 1938
 15 is amended—

16 (a) By inserting in section 328 after the words “out-
 17 side the commercial corn-producing area” the following:
 18 “or imported”;

19 (b) By inserting in section 333 after “for such crop”
 20 the following: “and imports”;

21 (c) By inserting in section 343 (a) after “August 1

1 of such succeeding calendar year" the following: "and
2 imports";

3 (d) By striking out section 359 (d) ;

4 (e) By striking out of section 364 "committee utilized
5 for the purposes of the Soil Conservation and Domestic Allot-
6 ment Act, as amended", and inserting in lieu thereof "county
7 agricultural executive committee provided for by the Agri-
8 cultural Act of 1948".

9 UTILIZATION OF LOCAL ORGANIZATION IN CARRYING OUT
10 THE AGRICULTURAL ADJUSTMENT ACT OF 1938

11 SEC. 304. Section 388 of the Agricultural Adjustment
12 Act of 1938 is amended to read as follows:

13 "SEC. 388. In carrying out the provisions of this Act
14 the Secretary is directed to utilize the State agricultural
15 councils and county agricultural associations and executive
16 committees created pursuant to the Agricultural Act of 1948;
17 and the local administrative areas and local and county
18 committees referred to in this Act shall be the local adminis-
19 trative areas and the county agricultural associations (acting
20 through the county agricultural executive committees) pro-
21 vided for by the Agricultural Act of 1948."

22 TITLE IV—MISCELLANEOUS

23 SECTION 32 FUNDS

24 SEC. 401. Section 32, as amended, of the Act entitled
25 "An Act to amend the Agricultural Adjustment Act, and

1 for other purposes", approved August 24, 1935 (U. S. C.,
 2 title 7, sec. 612c), is amended by adding at the end thereof
 3 the following: "The sums appropriated under this section
 4 shall, notwithstanding the provisions of any other law, con-
 5 tinue to remain available for the purposes of this section
 6 until expended; but any excess of the amount remaining
 7 unexpended at the end of any fiscal year over \$300,000,000
 8 shall, in the same manner as though it had been appropriated
 9 for the service of such fiscal year, be subject to the provisions
 10 of section 3690 of the Revised Statutes (U. S. C., title 31,
 11 sec. 712), and section 5 of the Act entitled 'An Act making
 12 appropriations for the legislative, executive, and judicial ex-
 13 penses of the Government for the year ending June
 14 thirtieth, eighteen hundred and seventy-five, and for other
 15 purposes'." (U. S. C., title 31, sec. 713).

16 "PARITY"—OTHER STATUTES

17 SEC. 402. (a) Section 2 (1) of the Agricultural Ad-
 18 justment Act, reenacted by the Agricultural Marketing
 19 Agreement Act of 1937, is amended to read as follows:

20 " (1) Through the exercise of the powers conferred upon
 21 the Secretary of Agriculture under this title, to establish and
 22 maintain such orderly marketing conditions for agricultural
 23 commodities in interstate commerce as will establish, as
 24 the prices to farmers, parity prices as defined by section

1 301 (a) (1) of the Agricultural Adjustment Act of
2 1938.”

3 (b) Section 8c (18) of the Agricultural Adjustment
4 Act, reenacted by the Agricultural Marketing Agreement
5 Act of 1937, is amended to read as follows:

6 “(18) The Secretary of Agriculture, prior to prescrib-
7 ing any term in any marketing agreement or order, or
8 amendment thereto, relating to milk or its products, if such
9 term is to fix minimum prices to be paid to producers or
10 associations of producers, or prior to modifying the price
11 fixed in any such term, shall ascertain the parity prices of
12 such commodities. The prices which it is declared to be the
13 policy of Congress to establish in section 2 of this title shall,
14 for the purposes of such agreement, order, or amendment,
15 be adjusted to reflect the price of feeds, the available sup-
16 plies of feeds, and other economic conditions which affect
17 market supply and demand for milk or its products in the
18 marketing area to which the contemplated marketing agree-
19 ment, order, or amendment relates. Whenever the Secretary
20 finds, upon the basis of the evidence adduced at the hearing
21 required by section 8b of this title or this section, as the
22 case may be, that the parity prices of such commodities are
23 not reasonable in view of the price of feeds, the available
24 supplies of feeds, and other economic conditions which affect
25 market supply and demand for milk and its products in the

1 marketing area to which the contemplated agreement, order,
2 or amendment relates, he shall fix such prices as he finds
3 will reflect such factors, insure a sufficient quantity of pure
4 and wholesome milk, and be in the public interest. There-
5 after, as the Secretary finds necessary on account of changed
6 circumstances, he shall, after due notice and opportunity for
7 hearing, make adjustments in such prices.”

8 (c) Section 8c (17) of the Agricultural Adjustment
9 Act, reenacted by the Agricultural Marketing Agreement
10 Act of 1937, is amended by striking out “and section 8e”.

11 (d) Section 8e of the Agricultural Adjustment Act,
12 reenacted by the Agricultural Marketing Agreement Act
13 of 1937, is repealed.

14 (e) All references in other laws to—

15 (1) parity,

16 (2) parity prices,

17 (3) prices comparable to parity prices, or

18 (4) prices to be determined in the same manner
19 as provided by the Agricultural Adjustment Act of 1938
20 prior to its amendment by this Act for the determination
21 of parity prices,

22 with respect to prices for agricultural commodities and
23 products thereof, shall hereafter be deemed to refer to parity
24 prices as determined in accordance with the provisions of

minated agricultural program, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. JOHNSON of Colorado:

S. 2319. A bill to provide for a survey of physically handicapped citizens; to the Committee on Post Office and Civil Service.

S. 2320. A bill for the relief of Maria Carol Lea McCain; to the Committee on the Judiciary.

By Mr. PEPPER:

S. 2321. A bill to incorporate the Seabee Veterans of America; to the Committee on the Judiciary.

By Mr. PEPPER (for himself and Mr. HOLLAND):

S. 2322. A bill to provide for the sale of a part of war-housing project No. FLA-8252-1 to the Department of Public Safety of the State of Florida; to the Committee on Banking and Currency.

COORDINATED AGRICULTURAL PROGRAM

Mr. AIKEN. Mr. President, on behalf of the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Iowa [Mr. WILSON], the Senator from Minnesota [Mr. THYE], the Senator from Oklahoma [Mr. THOMAS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Illinois [Mr. LUCAS], and myself, I introduce for appropriate reference a bill to coordinate the agricultural program.

The bill is the so-called long-range agricultural bill, and later in the day, when it is in order, I shall wish about 10 minutes to explain the contents of the bill.

The bill (S. 2318) to provide for a coordinated agricultural program, introduced by Mr. AIKEN (for himself, Mr. BUSHFIELD, Mr. WILSON, Mr. THYE, Mr. THOMAS of Oklahoma, Mr. ELLENDER, and Mr. LUCAS), was read twice by its title, and referred to the Committee on Agriculture and Forestry.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT 986 RELATING TO LABOR-MANAGEMENT RELATIONS

Mr. BALL submitted the following concurrent resolution (S. Con Res. 46), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed 10,000 additional copies of Senate Report No. 986 submitted by the Joint Committee on Labor-Management Relations, pursuant to Public Law 101, Eightieth Congress, for the use of said joint committee.

REDUCTION OF INCOME-TAX PAYMENTS—AMENDMENT

Mr. McCARRAN submitted an amendment intended to be proposed by him to the bill (H. R. 4790) to reduce individual income-tax payments, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

YOU AND YOUR CONGRESSMAN—ARTICLE BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article entitled "You and Your Congressman," written by him and published in the magazine Forbes, for March 15, 1948, which appears in the Appendix.]

LABOR-MANAGEMENT RELATIONS AND THE ENCYCLICALS—ADDRESS BY REV. BENJAMIN L. MASSE, S. J.

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address en-

titled "Labor-Management Relations and the Encyclicals," delivered by the Reverend Benjamin L. Masse, S. J., associate editor of America; and executive editor of the Catholic Mind, before the Catholic Conference on Industrial Problems, Boston, Mass., March 2, 1948, which appears in the Appendix.]

THE ANTILYNCHING BILL—EDITORIAL FROM THE WASHINGTON POST AND REPLY BY LESLIE S. PERRY

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Antilynching Bill," published in the March 2, 1948, issue of the Washington Post, and a reply to the editorial by Leslie S. Perry, legislative representative, National Association for the Advancement of Colored People, published in the Washington Post of March 11, 1948, which appear in the Appendix.]

OPEN THE DOOR, AMERICA!—EDITORIAL BY DAVID LAWRENCE

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an editorial entitled "Open the Door, America!" by David Lawrence, published in the March 7 issue of the United States News, which appears in the Appendix.]

MEETING OF COMMITTEE

Mr. DONNELL asked and obtained consent for the subcommittee of the Committee on the Judiciary engaged in hearings on Senate bill 1988, relating to submerged lands along coastal areas, to sit during the session of the Senate today.

LEAVES OF ABSENCE

Mr. CAIN asked and obtained consent to be absent from the Senate tomorrow, March 16.

Mr. HATCH. Mr. President, on account of a previous engagement, my colleague, the junior Senator from New Mexico [Mr. CHAVEZ] is compelled to be absent until Friday of this week. I ask unanimous consent that he may be excused from attendance upon the sessions of the Senate until that time.

The PRESIDENT pro tempore. Without objection, the order is made.

THE CALENDAR

The PRESIDENT pro tempore. Morning business is closed, and under the order of the Senate, the calendar will be called for the consideration of bills to which there is no objection.

The bill (S. 669) to provide for the payment of a bonus of 30 cents per bushel on wheat and corn produced and sold between January 1, 1945, and April 18, 1946, was announced as first in order.

Mr. McCARTHY. Mr. President, I wish to make a brief statement on the housing bill I introduced today.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. WHERRY. When the distinguished Senator from Wisconsin shall have concluded his remarks, I shall suggest the absence of a quorum, inasmuch as we have arrived at the point of calling the calendar.

Mr. McCARTHY. I shall be glad to yield to the Senator from Nebraska for that purpose at this time.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Murray
Baldwin	Hawkes	O'Connor
Ball	Hayden	O'Daniel
Barkley	Hickenlooper	O'Mahoney
Bricker	Hoey	Overton
Bridges	Holland	Pepper
Brooks	Ives	Reed
Buck	Jenner	Robertson, Va.
Bushfield	Johnson, Colo.	Robertson, Wyo.
Butler	Johnston, S. C.	Russell
Byrd	Kem	Saltonstall
Cain	Kilgore	Smith
Capehart	Knowland	Sparkman
Capper	Langer	Stennis
Chavez	Lodge	Stewart
Connally	Lucas	Thomas, Okla.
Cooper	McCarran	Thomas, Utah
Cordon	McCarthy	Thye
Donnell	McClellan	Umstead
Downey	McFarland	Vandenberg
Dworshak	McGrath	Watkins
Eastland	McKellar	Wherry
Eaton	McMahon	White
Ellender	Magnuson	Wiley
Ferguson	Malone	Williams
Flanders	Maybank	Wilson
Fulbright	Millikin	Young
George	Moore	
Gurney	Morse	

Mr. WHERRY. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from Pennsylvania [Mr. MARTIN], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

Mr. LUCAS. I announce that the Senator from Rhode Island [Mr. GREEN], the Senator from Alabama [Mr. HILL], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The PRESIDENT pro tempore. Eighty-five Senators having answered to their names, a quorum is present.

The Senate is now proceeding under rule VIII, and Senators are limited to 5 minutes.

COMPREHENSIVE HOUSING PROGRAM

Mr. McCARTHY. Mr. President, today I introduced a comprehensive housing bill. At this time I intend to take the 5 minutes allotted under the rule, very briefly to discuss that bill. Later in the day, when we have disposed of the calendar, I plan to discuss it in greater detail. Representative FLETCHER is introducing an identical bill in the House today.

To begin with, I should like to compliment the Senator from Vermont [Mr. FLANDERS] for his good judgment and broadmindedness in filing a report which contains every single element of the bill which I have been drafting for the past 3 months. However, in submitting his report I fear that he has failed to give credit to some of the groups which have taken a major part in developing this program. I do not blame the Senator from Vermont for failing to give all the groups which have contributed so much the credit they deserve, because during the time this program was being formed he was very busy on other work.

At this time I should like briefly to mention the various groups and individuals who have contributed toward the

LONG-RANGE AGRICULTURAL PROGRAM

Mr. AIKEN. Mr. President, on July 26, 1947, the Senate approved a resolution authorizing and directing the Senate Committee on Agriculture, or any duly appointed subcommittee thereof, to make a study of the trends, needs, and problems of agriculture in the United States, Territories, and possessions and to report to the Senate the results of its studies with such recommendations as it might deem desirable.

Pursuant to this resolution, the chairman of the Senate Committee on Agriculture [Mr. CAPPER] appointed the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Iowa [Mr. WILSON], the Senator from Minnesota [Mr. THYE], the Senator from Oklahoma [Mr. THOMAS], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Illinois [Mr. LUCAS], and myself a subcommittee authorized to carry out the purpose of this resolution.

As chairman of the subcommittee, I wish to say that I have never worked with a more cooperative committee. The members have performed their work diligently and thoroughly and at no time has there been any conflict in the pursuit of our objective.

I wish also at this time to express our appreciation to the leaders of all major farm organizations, Federal and State officials, and farm people who have cooperated to the fullest extent.

The subcommittee began its work on October 1 and on February 4 submitted a comprehensive report to the full Committee on Agriculture and Forestry.

On the same day, the full committee approved and adopted this report.

The committee realized, however, that the work was not ended with the submission of the report with its findings and recommendations. If we did nothing more to carry out our own recommendations, all the work would have been lost.

From the time this report was submitted to the Senate, the subcommittee has been engaged in the preparation of a bill to effectuate a long-range farm program as recommended by our report.

We have now completed the preparation of such a bill and I am very happy to introduce it today on behalf of all the members of our subcommittee.

Let me say here, Mr. President, that while there has been no difference of opinion whatever among the seven members of the subcommittee regarding the objectives of a long-range program, it is only natural that on such a vast and intricate undertaking, involving as it does every region in the United States, every agricultural commodity and numberless local and regional conditions, it was inevitable that there could not be complete agreement regarding every detail of a bill such as this.

It should be understood that no member of the committee is bound in any way to support all the provisions of the bill as it is, or to refrain from offering amendments or otherwise improving it according to his views.

The bill, however, does so closely reflect the opinion of all the members of

the subcommittee that we have unanimously agreed to join in its introduction.

After a reasonable length of time for study of the bill by interested persons and organizations, hearings will be held before the full committee. At such hearings specific testimony and recommendations for changes will be heard, after which the full committee will incorporate such changes as it deems advisable into the bill and report it to the Senate.

Now, as to the bill itself, I wish to briefly point out its most pertinent provisions.

First, it provides for a Bureau of Agricultural Conservation and Improvement within the Department of Agriculture to take over the work which up to now has been performed by the Soil Conservation Service and the Agricultural Conservation Program except that the educational, informational and demonstrational features of these activities will be transferred to the Extension Service and the research and investigational work to the experiment stations.

The creation of a single agency is in line with the recommendations made by the Department of Agriculture last fall.

The bill provides that the regional offices of the Soil Conservation Service be abolished, but that the Secretary of Agriculture may set up offices to do special work at the request of two or more States.

The bill provides greater authority to State and local levels for carrying on soil-improvement practices.

It provides for farmer-elected county associations and State councils. The State councils will develop plans and programs which are to be approved by the Secretary of Agriculture.

The State councils and local committees are to operate these plans, exercising such authority and handling such payments to farmers as the plans may call for.

This arrangement meets the general demand for farmer control of operating agencies at State and local levels.

There is provision for a National Agricultural Council representing producers, consumers, processors and distributors to advise the Secretary of Agriculture and the Congress on matters pertaining to agriculture.

The bill provides for the coordination of the research and educational work of the Department of Agriculture by a coordinator who will work directly under the Secretary at all times.

The work of the Farmers Home Administration will be transferred to the State agricultural council.

The provisions of section 8 of the Soil Conservation and Domestic Allotment Act are extended from December 31, 1948 to December 31, 1952.

It is necessary to provide this extension in view of the fact that less than half of the States have enacted the legislation necessary for them to take over this work on a grant-in-aid basis at this time.

The bill provides a new parity formula, using the latest 10-year period as a base,

but also leaving in the bill the right to use the old base period as an alternative. This is because of the fear expressed by some that adoption of a new base period would be harmful to cotton and tobacco producers.

Therefore, we have left both provisions in the bill so as to provide for a full discussion of this subject in the committee hearings.

The bill does not include the cost of farm labor in the new parity formula, although many think this should be included; and after the hearings by the full committee it is entirely possible that it will be.

The list of basic commodities remains unchanged except that for purposes of support, wool is to be treated as a basic commodity.

The bill provides a new method of supporting prices of farm commodities. The aim is to provide a support for farm income rather than a support based upon commodity prices alone.

Therefore, a variable level of support is adopted, which according to the supply of each commodity will run from 60 to 90 percent.

As supplies become burdensome, the support level is dropped to encourage diversion to other more needed crops. As supplies become short, the support level rises, thus encouraging greater production of the commodities most needed.

There is a provision in the bill that when unusual conditions arise, the National Agricultural Council and the Secretary of Agriculture may raise or lower the support level to meet such conditions, but in no case higher than 90 percent or lower than 60 percent of parity.

The old law of 1938, to which agricultural support will revert on January 1, 1949, unless new legislation is enacted, provides for support levels of from 52 to 75 percent on a commodity basis.

The bill which is introduced today provides for a mean average of support of 75 percent of parity and is thus more encouraging to agricultural production than the 1938 act.

The bill designates specific conditions under which basic commodities owned by the Commodity Credit Corporation may be disposed of.

Although the committee recognizes the necessity for maintaining a reasonable level of prices under nonbasic agricultural commodities, such as meat, dairy products, fruit, poultry, and vegetables, yet we cannot find any fixed formula for this purpose which appears to be workable.

The most practicable method of supporting commodities of a perishable nature appears to be through a purchase program conducted by the Secretary of Agriculture as burdensome surpluses appear.

Therefore, the bill provides that section 32 funds may be accumulated up to a total of \$300,000,000 for carrying out this purpose.

If the time should come when such sum is inadequate to meet the need, we may rest assured that a national emer-

gency would exist and emergency measures would have to be resorted to.

I have expressed briefly the provisions of this bill. I think there is no need for me to point out the urgency of the situation and the advisability of adopting a long-range farm program as soon as possible.

Although we have surpluses of many perishable commodities in the United States today, yet the production of other important commodities, such as meat and dairy products, is in diminishing supply in comparison to increased needs.

Only a small percentage of our farmers have the means to gamble on the future. They must know under what conditions they are to produce and sell their products, and they must know soon.

It is the hope of the subcommittee of the Committee on Agriculture and Forestry, which has made this study and is offering this bill, that a complete and well rounded long range farm program may be on the statute books before this Congress adjourns.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS, 1949

Mr. WHERRY. Mr. President, I move that the Senate proceed to the consideration of House bill 5214, the independent offices appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5214) making appropriations for the Executive office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1949, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

CONTINUATION OF JOINT COMMITTEE ON HOUSING

Mr. SPARKMAN. Mr. President, the Senator from Wisconsin [Mr. McCARTHY] is also interested in the matter to which I am about to refer.

Today the Joint Committee on Housing filed its report. Under the resolution establishing the joint committee, it is supposed to expire today. The House has already passed a concurrent resolution extending it to June 30 of this year. In the committee meeting a few days ago the committee members decided to ask for an extension for 60 days, not for the purpose of holding any additional hearings, not for the purpose of preparing an additional report, but for the purpose of clearing up the business in the office. No additional appropriation would be required. In fact, it is my understanding that the staff as a whole will not be retained, but only a sufficient number to do the routine work of cleaning up.

The chairman of the committee, Representative RALPH GAMBLE, of New York, stated that his office simply could not do the work which would be required.

I, therefore, ask unanimous consent that the Committee on Banking and Currency of the Senate be discharged from the further consideration of House Concurrent Resolution 155, in order that it may be taken up and passed at this time with an amendment which I shall send to the desk.

The PRESIDENT pro tempore. The Senator from Alabama asks unanimous

consent that the unfinished business be temporarily laid aside for the purpose of considering House Concurrent Resolution 155, which is now in the Committee on Banking and Currency. Without objection, the Committee on Banking and Currency will be discharged from the further consideration of the concurrent resolution.

Is there objection to the request of the Senator from Alabama?

Mr. WHERRY. Mr. President, I may say that I have consulted the Senator from Delaware [Mr. BUCK], and he has assured me that the committee is in complete accord with respect to this resolution. Therefore, I know of no objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the resolution (H. Con. Res. 155) to continue the Joint Committee on Housing beyond March 15, 1948, and for other purposes, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That section 3 of the concurrent resolution entitled "Concurrent resolution to establish a joint congressional committee to be known as the Joint Committee on Housing" (H. Con. Res. 104, 80th Cong.) is hereby amended to read as follows:

"Sec. 3. The committee shall from time to time report to the Senate and the House of Representatives the results of its study and investigation, together with such recommendations as to necessary legislation and such other recommendations as it may deem advisable. The committee shall make a preliminary report not later than March 15, 1948, and shall make its final report not later than June 30, 1948. Reports under this section may be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, if the Senate or the House of Representatives, as the case may be, is not in session."

Mr. SPARKMAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Alabama will be stated.

The LEGISLATIVE CLERK. On page 1, line 7, after the word "shall", it is proposed to strike out "from time to time"; in line 8, after the name "House of Representatives", it is proposed to insert "not later than March 15, 1948"; in line 11, after the word "advisable", it is proposed to strike out the remainder of the concurrent resolution and insert in lieu thereof "For administrative purposes of concluding its business the committee is authorized to continue until May 15, 1948."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. SPARKMAN].

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

ORDER OF BUSINESS

Mr. McCARTHY obtained the floor.

Mr. McCARTHY. Mr. President, the senior Senator from Minnesota [Mr. BALL] has a very brief statement to make. If I may yield without losing

the floor so that he may make his statement, I should like to do so.

The PRESIDENT pro tempore. The Senator will lose the floor when he yields but he will be recognized later.

Mr. McCARTHY. Mr. President, may I ask unanimous consent to yield without losing the floor?

The PRESIDENT pro tempore. The Senator may do so.

The Senator from Wisconsin asks unanimous consent, without losing the floor, to yield to the Senator from Minnesota [Mr. BALL], who wishes to address the Senate. Is there objection?

Mr. REED. Mr. President, appropriation bills are supposed to have at least some priority in consideration. I do not wish to be unreasonable, but it was announced on Saturday that following the call of the calendar the independent offices appropriation bill would be made the business of the Senate. It is proposed to displace it for things which have not the importance of the appropriation bill. As the Senator in charge of the appropriation bill, I feel constrained to object.

The PRESIDENT pro tempore. Objection is heard. The Senator from Wisconsin [Mr. McCARTHY] still has the floor, unless he wishes to yield under the circumstances indicated by the Chair.

Mr. McCARTHY. The circumstances indicated by the Chair are agreeable to me.

LABOR-MANAGEMENT RELATIONS

Mr. BALL obtained the floor.

Mr. PEPPER. Mr. President, if the Senator will yield to me, I should like to state that I am afraid the Senator from Florida will not be able to be in the Chamber during all the report to be made by the Senator from Minnesota. I simply wish to state for the record that the Senator from Montana [Mr. MURRAY] and I, as two members of the joint committee from which the Senator from Minnesota is about to make a report to the Senate, at a subsequent time expect to file a separate report, to which I desire to call attention at this time.

Mr. BALL. Mr. President, during the morning hour, as chairman of the Joint Committee on Labor-Management Relations, and in conformity with section 403 of the Labor-Management Relations Act of 1947, I filed with the Senate a preliminary report on the operation of the act and the other studies the Joint Committee was directed to make.

This is a progress report consisting chiefly of a factual history of the operation of the law which Congress passed last year, of the various cases which have arisen under it, and the trend of decisions.

The Labor-Management Relations Act of 1947, commonly referred to as the Taft-Hartley Act, became law on June 23, 1947; but the amendments to the National Labor Relations Act did not become fully effective until August 22, 1947, 60 days later. We have had nearly 7 months of operation under the law since it became fully effective. Clearly, that is not sufficient time to evaluate completely the effects of all phases of this long and technical statute. Many phases of the law are still in the process of being interpreted by both the National Labor

BILLS INTRODUCED

1. ORGANIZATION; LAND MANAGEMENT.

H.R. 6054, by Rep. Hope, Kans., establishes a National Agricultural Land and Water Resources Advisory Board to advise with the Secretary of Agriculture in administration of the bill. The Board would consist of the Secretary (as Chairman) and the presidents of the Land Grant College Association, Soil Conservation Districts Association, Forestry Association, Reclamation Association, and Natural Resources Council.

Provides for an Agricultural Resources Administration in the Department of Agriculture and makes it responsible "for effectuating all policies relating to programs for the conservation, improvement, and development of agricultural land and water resources and administering the national activities relating to conservation and utilization of wildlife", in cooperation with Extension and the Federal and State research facilities.

Includes in the Administration an Agricultural Land Service, Forest Service, and Fish and Wildlife Service. Provides that it include the work of the Soil Conservation Service; the conservation and similar functions of FMA, the work of BPISAE regarding soil survey and research in water conservation and soil physics; all other USDA work regarding physical and chemical characteristics of soils, classifications of soils and lands as to their suitability for agricultural development and use, and technical aspects and methods of soil and water conservation, improvement, and development; work of the Bureau of Land Management, Interior Department; Bureau of Reclamation work regarding agricultural phases or agricultural feasibility, selection of lands, agricultural planning, etc.; and work of Fish and Wildlife Service. Does not affect Office of Indian Affairs, National Park Service, nor TVA.

Requires the Secretary to report to Congress his recommendations if he finds that any policy of these agencies is contrary to the policies specified in the bill. Requires the Department to make a conservation survey of agricultural lands. Provides for technical assistance regarding land management. Authorizes payments in connection with soil conservation, etc. Requires the Secretary to submit to Congress a preliminary land conservation and development timetable. Requires other Government agencies to cooperate with the Secretary regarding the matters included in the bill.

Provides for an agricultural program board in each agricultural county, to consist of one representative of each local cooperative agency (such as rural electric cooperatives, soil-conservation districts, SCDA committees, extension service, and farm-loan associations), to advise and coordinate the programs.

To Agriculture Committee. (p. 3870.)

1. FLOOD CONTROL. H.R. 6052, by Rep. Trimble, Ark., "to amend section 10 of the Flood Control Act of 1944." To Public Works Committee. (p. 3870.)
2. BANKING AND CURRENCY. H.R. 6044, by Rep. Hale, Maine, to remove certain restrictions on the acquisition and holding, or transportation, of gold coin, bullion, currency, certificates, or securities. To Banking and Currency Committee. (p. 3870.)

ITEMS IN APPENDIX

3. COOPERATIVES. Sen. Aiken, Vt., inserted his Farm and Home Week (Ohio State Univ.) address, "The Place of Cooperatives in Agriculture" (pp. A2071-3).
4. FOREIGN AID. Various remarks and insertions on foreign aid (pp. A2082-3, A2083, A2086, A2094-6).
5. FOREIGN TRADE. Extension of remarks of Rep. Reed, N.Y., including a newspaper article, opposing extension of the Trade Agreements Act (p. A2087).

16. FUR TAXES. Extension of remarks of Rep. Vanzandt, Pa., urging repeal of the "punitive 20-percent excise tax on furs" (pp. A2087-8).
17. FARM PROGRAM. Rep. Hays, Ark., inserted an Arkansas Gazette editorial pointing out the advances in farm conditions in Ark. (p. A2088).

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COMMITTEE HEARINGS ANNOUNCEMENTS for Mar. 31: S. Agriculture and Forestry, meat-inspection financing (packers' representative to testify); S. Banking and Currency housing bill, including farm-housing and research provisions (Housing Agency to testify); S. Expenditures in the Executive Departments, transfer of WAA and Bureau of Federal Supply to FWA; S. Post Office and Civil Service, Federal pay bill (ex.)

H. Banking and Currency, CCC payments to certain sugar producers (Myers to testify); S. Appropriations, State-Justice-Commerce-Judiciary appropriations; S. Armed Services, UMT; S. Public Works, TVA Act amendments; S. Small Business, export regulations (ex.); H. Appropriations, Government corporations, Interior, Labor-Federal Security, and Military Establishments appropriations (ex.); H. Public Works, black market investigations.

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

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80TH CONGRESS
2D SESSION

H. R. 6054

80TH CONGRESS
2D SESSION

H. R. 6054

IN THE HOUSE OF REPRESENTATIVES

MARCH 30, 1948

Mr. HORE introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To establish conservation and orderly development of the Nation's agricultural land and water resources as a basic policy of the United States, to provide for a national agricultural land- and water-conservation program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the “National Land Policy
4 Act”.

DECLARATION OF POLICY

6 SEC. 2. (a) It is hereby recognized that the agricul-
7 tural lands and waters of the United States constitute this
8 Nation's most basic natural resources; that the preservation

1 and sound development of these basic food, fiber, and forest
2 producing resources is essential to the national security and
3 to the physical and economic well-being of the American
4 people; that the wastage of these resources resulting from soil
5 erosion, loss of soil fertility, improper land use, inadequate
6 farm drainage, improper irrigation, floods, silting of streams
7 and lakes and reservoirs, and other types of preventable dam-
8 age is a menace to the national welfare and of critical national
9 concern; that the absence of an established national policy
10 governing agricultural land and water resources contributes
11 to the wastage of these resources; that the establishment of
12 a national agricultural land policy is necessary to prevent
13 further exhaustion of these vital resources and the conse-
14 quent endangering of the national security and the physical
15 and economic well-being of the American people; that
16 the conservation, improvement, and sound development and
17 use of our agricultural resources is the joint responsibility
18 of the Nation as a whole through the Federal Government,
19 the several States, and the owners and users of agricultural
20 lands and waters; that the establishment of a national agri-
21 cultural land policy is necessary to provide a basis for con-
22 sistency in all governmental activities having a bearing on
23 the conservation, wise use, and orderly development of
24 agricultural land and water resources; and that all national
25 endeavors, particularly those relating directly to agriculture,

1 should be consistent with the national agricultural land policy
2 as an assurance that the Nation's basic food, fiber, and
3 forest producing resources will continue to be available at
4 all times in sufficient quality and sufficient extent to meet
5 the needs of the American people. In recognition of these
6 facts, it is hereby declared to be the policy of Congress—

7 (1) to provide for the permanent conservation, im-
8 provement, and development of the Nation's agricultural
9 land and water resources so as to preserve natural re-
10 sources, promote the continual production of food, fiber,
11 forest, and other agricultural products, aid in the control
12 of floods, prevent impairment of reservoirs, maintain the
13 navigability of rivers and harbors, and to protect public
14 lands, public health, and the general welfare;

15 (2) to provide for the conservation, improvement,
16 and development of the Nation's agricultural land and
17 water resources at such a rate of speed, and in such a
18 degree of thoroughness, as to assure the Nation sufficient
19 productive land and water resources to produce continu-
20 ously a stable supply of agricultural commodities ade-
21 quate to meet, at least, the nutritional needs of the
22 present and prospective population of the Nation;

23 (3) to achieve the conservation, improvement, and
24 development of the Nation's various agricultural lands
25 by utilizing them in accordance with their capabilities

1 to produce and by treating them in accordance with their
2 needs for conservation, improvement, and development;

3 (4) to provide for the orderly review and analysis
4 of all governmental programs affecting substantially the
5 conservation, improvement, and development of agricul-
6 tural land and water resources so that such programs may
7 be brought into conformity with the policy enunciated
8 by this Act;

9 (5) to recognize that research, education, tech-
10 nical operations, and material assistance, financial and
11 otherwise, are distinct elements in conserving, improv-
12 ing, and developing the Nation's agricultural land and
13 water resources;

14 (6) to provide for the consolidation under the super-
15 vision and direction of the Secretary of Agriculture of
16 all national activities relating to the conservation, im-
17 provement, and development of agricultural land and
18 water resources, except agricultural land and water re-
19 sources administered by the Office of Indian Affairs and
20 the National Park Service of the Department of the
21 Interior, and by the Tennessee Valley Authority;

22 (7) to provide for the transfer of the administration
23 of national activities relating to the conservation and
24 utilization of the wildlife resources of the Nation and
25 the consolidation of the administration of such dependent

resources with the administration of the activities relating to the conservation, improvement, and development of agricultural land and water resources.

AGRICULTURAL RESOURCES ADVISORY BOARD

SEC. 3. There is hereby established a National Agricultural Land and Water Resources Advisory Board to advise with the Secretary of Agriculture in the administration of this Act. The Secretary of Agriculture shall be the Chairman of the Board and the Administrator of the Agricultural Resources Administration, as hereinafter established by section 4 of this Act, shall be a member of the Board. In addition, the Chairman of the Board shall invite, to serve as members of the Board, the president of the National Association of Land Grant Colleges; the president of the National Association of Soil Conservation Districts; the president of the American Forestry Association; the president of the National Reclamation Association; and the president of the Natural Resources Council. The members of the Board shall serve only during their incumbency in their respective official positions and, in the event any of the above-named officials shall be unable to serve, the Secretary of Agriculture is authorized to invite another official or member of such organization to serve. The Board shall meet annually and at such other times as may be requested by the Secretary. The Secretary is authorized to allow

1 traveling and subsistence expenses necessary in connection
2 with the attendance at the meetings of the Board to mem-
3 bers of the Board who are not Government employees. The
4 functions of the Board shall be to consult with the Secretary
5 of Agriculture and other appropriate officials of the Depart-
6 ment of Agriculture and to make recommendations relative
7 to the administration of this Act.

8 AGRICULTURAL RESOURCES ADMINISTRATION

9 SEC. 4. (a) The Secretary of Agriculture shall establish
10 in the Department of Agriculture an agency to be known
11 as the Agricultural Resources Administration (hereinafter
12 referred to as the Administration), to exercise the powers
13 conferred on, or transferred to him, under this Act. The
14 Administration shall be under the immediate supervision
15 and direction of an Administrator who shall be selected and
16 appointed by the Secretary of Agriculture with due regard
17 for his knowledge of the land resources of the Nation and
18 of the necessity for the conservation, improvement, and sound
19 development of such resources, and who shall be responsible
20 only to the Secretary of Agriculture.

21 (b) The Administration shall be the responsible agency
22 of the Government for effectuating all policies relating to
23 programs for the conservation, improvement, and develop-
24 ment of agricultural land and water resources and adminis-
25 tering the national activities relating to the conservation and

1 utilization of wildlife resources and such other activities as
2 may be assigned or transferred to it under the authority of
3 this Act: *Provided*, That in effectuating the educational and
4 research phases of programs relating to the conservation,
5 improvement, and development of agricultural land and
6 water resources, the educational facilities of the Federal and
7 State extension services and the existing research facilities
8 owned or controlled by the Federal Government or by the
9 State agricultural experiment stations shall be utilized to the
10 maximum extent practicable.

11 (c) The Administration shall have as its constituent
12 agencies an Agricultural Land Service, a Forest Service, and
13 a Fish and Wildlife Service.

14 (d) Except as otherwise provided herein, the following
15 agencies, functions, duties, and powers are hereby consoli-
16 dated within and shall be administered by the Agricultural
17 Resources Administration:

18 (1) The Forest Service of the Department of Agri-
19 culture and its functions, powers, and duties.

20 (2) The Soil Conservation Service of the Depart-
21 ment of Agriculture and its functions, powers, and duties.

22 (3) All the functions, powers, and duties of the
23 Production and Marketing Administration of the Depart-
24 ment of Agriculture relating to the conservation, im-

1 provement, and development of agricultural land and
2 water resources.

3 (4) All of the functions, powers, and duties relat-
4 ing to soil survey and to research functions in water
5 conservation and soil physics now exercised by the
6 Bureau of Plant Industry, Soils, and Agricultural Engi-
7 neering of the Department of Agriculture.

8 (5) All other functions, powers, and duties of any
9 agency or administrative unit of the Department of
10 Agriculture having to do with the physical and chemical
11 characteristics of soils, the classifications of soils and
12 lands as to their suitability for agricultural development
13 and use, and the technical aspects and methods of soil
14 and water conservation, improvement, and development.

15 (6) All functions, powers, and duties of the Depart-
16 ment of the Interior now exercised by the Bureau of
17 Land Management of the Department of the Interior,
18 excepting those functions relating to the surveying,
19 prospecting, mining, mineral leasing, locating, appro-
20 priating, entering, relinquishing, reconveying, certifying,
21 and patenting of any public lands.

22 (7) All functions, powers, and duties vested in
23 the Department of the Interior and which are now
24 exercised by the Bureau of Reclamation for making
25 investigations of, and determinations with respect to,

the agricultural phases or the agricultural feasibility of any reclamation project or for selecting the lands capable of irrigation and agricultural development, planning the agricultural development of the project in relation to land capabilities, the methods of irrigation and agricultural practice and any and all activities relating to the conservation, improvement, and development of the agricultural land and water resources in connection therewith.

(8) All of the functions, powers, and duties of the Department of the Interior presently exercised through the Fish and Wildlife Service.

(e) Within not more than one hundred and twenty days after the date of approval of this Act, the President shall determine and by Executive order specify those functions of such other agencies, divisions, bureaus, services, sections, or other administrative unit, in or under the executive branch of the Government which in his opinion are primarily concerned with the conservation, improvement, or development of agricultural land and water resources or which would, if continued, substantially duplicate any function authorized to be performed by the Administration, except such functions which are administered by the Office of Indian Affairs and the National Park Service of the

1 Department of the Interior, and by the Tennessee Valley
2 Authority.

3 (f) Notwithstanding any other provision of law, the
4 functions, powers, and duties of each and every agency,
5 division, bureau, service, section, or other administrative
6 unit in or under the executive branch of the Government
7 specified by the President pursuant to subsection (e) hereof
8 are hereby transferred to and consolidated within the De-
9 partment of Agriculture effective one hundred and twenty
10 days after the date of the specification made pursuant to
11 (e) hereof. Any function transferred to the Department
12 of Agriculture pursuant to this Act shall be administered
13 by the Agricultural Resources Administration.

14 (g) All records, assets, rights, liabilities, property (in-
15 cluding office equipment, contracts, agreements, and leased
16 office space) used primarily in the administration of any
17 agency, function, duty, or power transferred or consolidated
18 pursuant to this Act shall be transferred to the Department
19 of Agriculture for use in the administration of the functions,
20 powers, and duties transferred.

21 (h) Except as provided elsewhere herein, all personnel
22 of other departments or agencies engaged primarily in the
23 administration of any function, power, or duty transferred
24 or consolidated pursuant to this Act shall be transferred,
25 respectively, with such agency, function, power, or duty;

1 but any personnel transferred with agencies, functions,
2 powers, or duties who are found by the Administrator of the
3 Agricultural Resources Administration to be in excess of
4 the personnel necessary for the administration of such func-
5 tions, powers, and duties shall be retransferred under existing
6 law to other positions in the Government or separated from
7 the service.

8 (i) So much of the unexpended balances of appropria-
9 tions, authorizations, allocations, or other funds (not other-
10 wise transferred hereunder) available for the use of any
11 agency in the exercise of any function, power, or duty
12 consolidated by this Act, or for the use of the head of any
13 department or agency in the exercise of any such function,
14 power, or duty, as the Director of the Bureau of the Budget
15 shall determine (with the approval of the President), shall
16 be transferred, respectively, to the Agricultural Resources
17 Administration of the Department of Agriculture for its use
18 in connection with the exercise of the functions, powers, or
19 duties, respectively, to be administered by it hereunder. In
20 determining the amount to be transferred, the Director of
21 the Bureau of the Budget may include an amount to provide
22 for the liquidation of obligations incurred against such appro-
23 priations, authorizations, allocations, or other funds prior
24 to transfer.

25 (j) All unexpended balances of appropriations, author-

1 izations, allocations, or other funds transferred under this
2 Act shall be used only for the respective purposes and in
3 the administration of the respective functions for which such
4 funds were made available.

5 (k) All orders, rules, regulations, permits or other priv-
6 ileges made, issued, or granted by, or in respect of, any
7 agency, function, power, or duty, consolidated hereunder
8 shall continue in effect to the same extent as if such consoli-
9 dation had not occurred until modified, superseded or re-
10 pealed by the Administrator.

11 (1) The Administration shall assume all rights and
12 liabilities, whether arising out of contract or otherwise, of
13 any agency, division, bureau, service, section, or other admin-
14 istrative unit transferred to the Administration under this
15 section. No suit, action, or other proceeding lawfully com-
16 menced by or against any such agency, division, bureau,
17 service, section, or other administrative unit so transferred,
18 or against the head of the department or agency from which
19 such agency, division, bureau, service, section, or other
20 administrative unit was transferred, shall abate by reason of
21 the enactment of this Act, but the court, on motion or sup-
22 plemental petition filed at any time within twelve months
23 after the date of the transfer of any such agency, showing
24 a necessity for the survival of such suit, action, or other pro-

ceeding to obtain a determination of the questions involved,
may allow the same to be maintained by or against the
Secretary of Agriculture.

POLICY APPLIED TO OTHER PROGRAMS

SEC. 5. (a) The Secretary of Agriculture shall review
and make an analysis of the programs and activities of all
agencies, branches, and bureaus in or under the control of,
or transferred to, the Department of Agriculture, to ascertain
to what extent, if any, the policies, programs, or activities
of such agencies, are inconsistent with the policies expressed
in this Act, and he shall, within the limits of his statutory
powers, require that all such policies, programs, and activities
be carried out in a manner consistent with the policies
established herein.

(b) If the Secretary of Agriculture shall find that any
policy, program, or activity of any agency or bureau of the
Department of Agriculture is inconsistent, in whole or in
part, with the policies expressed in this Act but that such
policy, program, or activity is required by law or that he
lacks legal authority to change such policy, program, or
activity, he shall so report to Congress and shall suggest
such legislative action as may, in his judgment, be required
to permit him to carry out the provisions of subsection
(a) of this section.

1 AUTHORIZATIONS TO THE SECRETARY OF AGRICULTURE

2 SEC. 6. (a) In furtherance of the policy set forth in
3 section 2 of this Act, the Secretary of Agriculture, in addi-
4 tion to any other authority otherwise conferred on him, is
5 hereby authorized—

6 (1) to conduct surveys, investigations, and research
7 independently, and in cooperation with Federal and
8 State agencies, including State agricultural experiment
9 stations, relating to the conservation, improvement, and
10 development of agricultural land and water resources;
11 to publish and disseminate information concerning any
12 such survey, investigation, or research; and to conduct
13 demonstrations relating to the conservation, improve-
14 ment, and development of agricultural land and water
15 resources;

16 (2) to carry out preventive measures including,
17 but not limited to, engineering operations, methods of
18 cultivation, the growing of vegetation, and changes in
19 the use of land;

20 (3) to acquire lands or rights or interests therein
21 by purchase, gift, condemnation, or otherwise whenever
22 necessary for the purposes of this Act; to protect, im-
23 prove, and administer any land so acquired; and to
24 lease or exchange any such property and grant licenses
25 and easements therein upon such terms and conditions

as may be consistent with the purposes of this Act and as he may deem reasonable;

(4) to provide technical assistance to Federal and State agencies, including soil-conservation districts, meeting standards established by the Secretary of Agriculture, in connection with their locally developed and adopted programs for the conservation, improvement, and development of agricultural land and water resources;

(5) to provide technical assistance to landowners and operators with respect to lands not located within qualified soil or other conservation districts, on such conditions as the Secretary of Agriculture may determine;

(6) to provide technical assistance for the conservation, improvement, and development of any agricultural land and water resources under public ownership or control;

(7) to survey and classify by capabilities for agricultural use the lands in existing, proposed, or potential reclamation, or multiple-purpose development projects; and to determine the feasibility of such lands for sustained agricultural use.

CONSERVATION SURVEY

SEC. 7. In order to effectuate the purposes of this Act, the Secretary of Agriculture shall, as rapidly as practicable, make a conservation survey of the Nation's present and

1 potential agricultural lands, and he is authorized to analyze,
2 publish, and distribute information concerning such survey
3 and to provide land use capability maps to landowners and
4 operators applicable to their units of land and to assist them
5 in interpreting and analyzing such maps.

6 ASSISTANCE

7 SEC. 8. (a) In furtherance of the policy expressed in
8 section 2 of this Act, the Secretary is also authorized to
9 cooperate or enter into agreements with, or to furnish
10 financial or other assistance to, any agency, governmental or
11 otherwise, or any person, subject to such conditions as he
12 may deem appropriate, for carrying out the purposes of this
13 Act. Such assistance may include, but is not limited to,
14 financial payments, conservation materials, planting stock
15 and seed, use of equipment, or other similar materials and
16 aids: *Provided*, That in furnishing such financial or other
17 assistance to any person with respect to lands situated within
18 a soil-conservation district which meets the standards estab-
19 lished by the Secretary of Agriculture, such assistance shall
20 be made available only through, or in cooperaiton with,
21 such districts.

22 (b) In providing such assistance the Secretary of Agri-
23 culture shall take into consideration—

24 (1) the recommendations of the governing bodies
25 of soil-conservation districts concerning the need for, and

1 the capabilities of such districts to use effectively, the
2 funds, materials, or equipment;

3 (2) the urgency and extent of the need for such
4 funds, materials, or equipment to prevent irreparable
5 damage to agricultural land and water resources; and

6 (3) the availability of technical assistance to assure
7 the most effective use of such funds, materials, or
8 equipment.

9 PAYMENTS

10 SEC. 9. (a) Any financial payment authorized to be
11 made to any person under the provisions of this Act shall
12 be either a class A or class B payment and shall be made
13 on such terms and conditions as the Secretary of Agriculture
14 may prescribe—

15 (1) class A payments shall be payments for prac-
16 tices and improvements of a permanent or semipermanent
17 nature, such as terrace systems, drainage and irrigation
18 installations, farm ponds, range water diversion
19 systems, and for other practices and improvements as
20 may be required to prevent permanent loss to the pro-
21 ductivity of the land. Such a payment shall not exceed
22 one-third of the cost of such practice or improvement,
23 as determined by the Secretary of Agriculture on a
24 generally fair and reasonable basis, and shall be made
25 only once, and at the time the practice or improvement

1 is carried out as a part of a complete farm or ranch
2 conservation plan; and only when such practice or im-
3 provement is done on the basis of a cooperative agree-
4 ment between a conservation district and the landowner
5 or operator;

6 (2) class B payments shall be made for recurring
7 practices that will retard depletion of soil productivity,
8 such as liming, fertilizing, crop rotation, cover cropping,
9 mulching, and prevention of stubble burning. Such pay-
10 ments may be made annually and shall not exceed one-
11 fourth of the cost of performing such practice, as
12 determined by the Secretary of Agriculture on a
13 generally fair and reasonable basis.

14 (b) Class A and class B payments shall be classified
15 according to such areas and practices as the Secretary of
16 Agriculture may determine and announce for each fiscal
17 year, after due consideration of the recommendations of the
18 governing bodies of conservation districts.

19 (c) Class A payments may be made to a landowner or
20 operator only when the governing body of the conservation
21 district has certified to the Secretary of Agriculture through
22 the local, county, and State committees established pursuant
23 to section 8 (b) of the Soil Conservation and Domestic
24 Allotment Act, as amended, in accordance with certification
25 standards prescribed by the Secretary of Agriculture, that

1 the work has been performed in accordance with the pro-
2 visions of this section. In making class A or class B pay-
3 ments the Secretary of Agriculture shall, insofar as prac-
4 ticable, utilize such committees as his agents.

5 (d) Class B payments may be made to a landowner or
6 operator with respect to land in a conservation district when
7 the governing body of the district has certified, as specified
8 in subsection (c), that the work has been performed in
9 accordance with the section. Class B payments may also
10 be made to a landowner or operator with respect to land not
11 within the boundaries of a conservation district when the
12 local committee, established pursuant to section 8 (b) of
13 the Soil Conservation and Domestic Allotment Act, as
14 amended, has certified, as specified in subsection (c), that
15 the work has been performed in accordance with subsections
16 (a) and (b) of this section.

17 SEC. 10. (a) The Acts authorized in section 6 (a),
18 (1), (2), (4), (6), (7) may be performed on lands
19 owned or controlled by the United States or any of its
20 agencies with the cooperation of the agency having juris-
21 diction thereof.

22 (b) The Acts authorized in sections 6, 7, and 8 may be
23 performed on other lands, upon obtaining proper consent
24 or the necessary rights or interests in such lands.

25 SEC. 11. As a condition to the extending of any bene-

1 fits under this Act to any lands not owned or controlled by
2 the United States or any of its agencies, the Secretary of
3 Agriculture may, insofar as he deems necessary for the pur-
4 poses of this Act, require—

5 (1) the enactment of reasonable safeguards for the
6 enforcement of State and local laws imposing permanent
7 restrictions on the use of such lands and otherwise pro-
8 viding for the conservation, improvement, and develop-
9 ment thereof;

10 (2) agreements or covenants as to the permanent
11 use of such lands; and

12 (3) contributions in money, services, materials, or
13 otherwise, to any operations conferring such benefits.

14 SEC. 12. For the purposes of this Act the Secretary
15 of Agriculture may (1) secure the cooperation of any Fed-
16 eral, State, or local agency, governmental or otherwise;
17 (2) utilize such voluntary, uncompensated services as may
18 from time to time be available; (3) subject to the provisions
19 of the civil-service laws and Classification Act of 1923, as
20 amended, appoint and fix the compensation of such officers
21 and employees as he may deem necessary, except the Secre-
22 tary may, for temporary periods not to exceed months,
23 make appointments, by contract or otherwise, without re-
24 gard to the Classification Act of 1923, as amended;
25 (4) make expenditures for personal services and rent in the

1 District of Columbia and elsewhere and for the purchase of
2 lawbooks and books of reference, for printing and binding,
3 and for the purchase, operation, maintenance, and repair of
4 passenger-carrying vehicles; (5) perform such acts and
5 make such rules and regulations as he may deem necessary
6 in the administration of this Act; and (6) delegate any
7 power or authority conferred upon him pursuant to this Act
8 to the Administrator of the Agricultural Resources Admin-
9 istration, who may redelegate any such power or authority
10 to any officer or employee of the Administration.

11 COUNTY AGRICULTURAL PROGRAM BOARD

12 SEC. 13. (a) In order to obtain maximum coordination
13 of the activities authorized by this Act with other agri-
14 cultural programs and activities of the Government, the
15 Secretary is authorized and directed to encourage the forma-
16 tion in each agricultural county of a county agricultural
17 program board. Such board shall be composed of one repre-
18 sentative elected from and by each of the locally elected
19 organizations cooperating in agricultural programs with the
20 Federal and State Governments, such as rural electric co-
21 operatives, soil-conservation districts, county committees
22 established pursuant to the section 8 (b) of the Soil Con-
23 servation and Domestic Allotment Act, as amended, elected
24 county committees cooperating with the agricultural exten-
25 sion services, and the national farm loan associations.

1 (b) It shall be the responsibility of the county agri-
2 cultural program board—

3 (1) to study the agricultural assets and needs of
4 the county and, on the basis of this study, prepare a long-
5 range program of agricultural objectives for the county
6 and, further, to prepare annually a coordinated “plan
7 of work” for the county, setting forth the proposed
8 actions to be taken during the year toward realization
9 of the stated objectives;

10 (2) to keep itself currently informed as to the status
11 and progress of the various agricultural programs and
12 activities in the county, and from time to time to make
13 such reports and recommendations as it believes neces-
14 sary or desirable to the Secretary of Agriculture and to
15 appropriate State officials and agencies with respect to
16 the agricultural problems of the county, and the progress
17 achieved toward the agricultural objectives of the county;

18 (3) to work with the various agricultural organi-
19 zations and groups in the county in order to attain
20 maximum coordination of agricultural activities in the
21 county;

22 (4) to consult regularly with such representatives
23 of the Department of Agriculture as may be situated
24 within the county, on the administration and status of
25 agricultural programs, with a view to developing the

1 widest understanding and coordination of effort among
2 the various interests represented;

3 (5) to consult as often as may seem useful or
4 desirable with other agricultural and nonagricultural
5 leaders and organizations in the county with a view to
6 developing the widest understanding and coordination of
7 effort between the agricultural and nonagricultural
8 interests of the county.

9 (c) The chairman of the county agricultural program
10 board shall be elected by the membership of the board and
11 he shall serve for a term of one year. Thereafter the chair-
12 manship shall rotate uniformly among the members repre-
13 senting each of the several organizations and committees
14 composing the county agricultural program board.

15 (d) No employee of the Federal or State governments
16 shall be eligible for membership on a county agricultural
17 program board.

18 LAND CONSERVATION AND DEVELOPMENT TIMETABLE

19 SEC. 14. Prior to the first request for an annual appro-
20 priation for purposes of this Act, the Secretary of Agricul-
21 ture shall prepare and submit to the Congress a preliminary
22 land conservation and development timetable, showing the
23 current rates and extent of land damage in the United States,
24 the dates practicable for the completion of the conservation
25 survey authorized in section 7 of this Act, and a specifica-

1 tion of the land treatment in his opinion deemed necessary,
2 including estimated costs thereof. On completion and
3 analysis of the conservation survey of the Nation's land, the
4 Secretary of Agriculture shall revise the land conservation
5 and development timetable accordingly and shall submit it to
6 Congress.

7 AUTHORIZATION FOR APPROPRIATIONS AND EXPENDITURES

8 SEC. 15. There are hereby authorized to be appro-
9 priated for the purpose of carrying out the provisions of
10 this Act such sums as Congress may from time to time
11 determine to be necessary. Such sums as may be appro-
12 priated pursuant to this Act shall be in addition to, and
13 not in substitution of, sums appropriated for or, otherwise
14 made available to the Department of Agriculture under any
15 other Act. Not less than 5 per centum of the funds appro-
16 priated for any fiscal year for carrying out the purposes of
17 this Act, exclusive of such sums appropriated for the pay-
18 ment of class A and class B payments, shall be available
19 for research authorized to be performed pursuant to this
20 Act. Funds available for carrying out this Act shall be
21 available for payment to committees to cover the estimated
22 administrative expenses to be incurred by any such com-
23 mittee in cooperating in carrying out this Act: *Provided*,
24 That the Secretary of Agriculture may prescribe that all

1 or any part of such estimated expenses of any such com-
2 mittee may be deducted pro rata from any payments made.

3 SEC. 16. In addition, for the purpose of supplementing
4 cooperative extension work in furtherance of soil- and water-
5 conservation education, there is hereby authorized to be
6 appropriated such sums as Congress may from time to time
7 determine to be necessary, but not to exceed \$3,000,000
8 for any fiscal year. The Secretary of Agriculture is author-
9 ized to allocate such funds in the amounts he determines
10 to be necessary to State agricultural extension services that
11 have entered into memoranda of understanding with con-
12 servation districts meeting standards established by the
13 Secretary of Agriculture covering the orderly conduct of
14 educational work in conservation.

15 SEC. 17. The facts constituting the bases for any pay-
16 ment, or the amount thereof, authorized to be made under
17 this Act, when officially determined in conformity with rules
18 or regulations prescribed by the Secretary of Agriculture,
19 shall be reviewable only by the Secretary of Agriculture.

20 SEC. 18. The Agricultural Resources Administration
21 may sell and distribute supplies, materials, and equipment
22 to other Government activities, the cost of such supplies
23 and materials or the value of such equipment (including
24 the cost of transportation and handling) to be reimbursed

1 to appropriations current at the time additional supplies,
2 materials, or equipment are procured from the appropria-
3 tions chargeable with the cost or value of such supplies,
4 materials, or equipment.

5 COOPERATION WITH OTHER FEDERAL AGENCIES

6 SEC. 19. The Tennessee Valley Authority, the Office
7 of Indian Affairs, and the National Park Service of the De-
8 partment of the Interior, or any other agency of the Federal
9 Government performing any function, with respect to the
10 conservation, improvement, and development of any agri-
11 cultural land and water resource shall cooperate with the
12 Secretary of Agriculture so that such functions may, as
13 far as practicable, be carried out in accordance with the
14 declared policy of this Act.

15 DEFINITIONS

16 SEC. 20. As used in this Act—

17 (a) The term “agricultural land and water resources”
18 means those farm, forest, and grazing lands, present and
19 potential, whether publicly or privately owned, including
20 both surface and underground water supplies, as are adjudged
21 by the Secretary of Agriculture to be primarily valuable for
22 the production of food, fiber, forest, and other agricultural
23 products, and for watershed protection.

24 (b) The phrase “conservation, improvement, and de-
25 velopment” shall include all activities relating to the control

1 and prevention of soil erosion; the maintenance and im-
2 provement of soil fertility and soil productivity; the con-
3 servation, use, and management of agricultural land and
4 water resources; the disposal of farm and ranch waters;
5 run-off and water-flow retardation and soil-erosion preven-
6 tion on watersheds; the development of new agricultural
7 land and water resources; the drainage, irrigation, or clear-
8 ing of agricultural lands; and such other activities as the
9 Secretary of Agriculture shall determine are necessary for
10 the protection of the agricultural land and water resources
11 of the Nation.

12 SEC. 21. This Act shall apply to the United States and
13 the Territories of Alaska and Hawaii, and to Puerto Rico,
14 and the Virgin Islands.

15 REPEALS

16 SEC. 22. The Soil Conservation and Domestic Allot-
17 ment Act, as amended, except those provisions of section
18 8 (b) thereof relating to the establishment of local, county,
19 and State committees and to the authority of the Secretary
20 of Agriculture to issue regulations with respect to such
21 committees, is hereby repealed, effective January 1, 1949.

80TH CONGRESS
2D SESSION

H. R. 6054

A BILL

To establish conservation and orderly development of the Nation's agricultural land and water resources as a basic policy of the United States, to provide for a national agricultural land- and water-conservation program, and for other purposes.

By Mr. HOPE

MARCH 30, 1948

Referred to the Committee on Agriculture

80TH CONGRESS
2D SESSION

S. 2318

IN THE SENATE OF THE UNITED STATES

MARCH 31 (legislative day, MARCH 29), 1948

Referred to the Committee on Agriculture and Forestry and ordered to be
printed

AMENDMENTS

Intended to be proposed by Mr. MAGNUSON to the bill
(S. 2318) to provide for a coordinated agricultural program,
viz:

1 On page 4, line 17, strike out "distribution" and insert
2 in lieu thereof "the exportation of such products, and the
3 domestic distribution of such products".

4 On page 42, beginning with line 24, strike out all down
5 to and including line 15 on page 43, and insert in lieu thereof
6 the following:

7 SEC. 401. Section 32, as amended, of the Act entitled
8 "An Act to amend the Agricultural Adjustment Act, and
9 for other purposes", approved August 25, 1935 (U. S. C.,
10 title 7, sec. 612c), is amended—

1 (A) by inserting “(a)” after the section designa-
2 tion;

3 (B) by striking out the last two sentences thereof
4 which read as follows: “The sums appropriated under
5 this section shall be expended for such one or more of
6 the above-specified purposes, and at such times, in such
7 manner, and in such amounts as the Secretary of Agri-
8 culture finds will effectuate substantial accomplishment
9 of any one or more of the purposes of this section. Not-
10 withstanding any other provision of this section, the
11 amount that may be devoted, during any fiscal year
12 after June 30, 1939, to any one agricultural commodity
13 or the products thereof in such fiscal year, shall not
14 exceed 25 per centum of the funds available under this
15 section for such fiscal year.”; and

16 (C) by adding at the end thereof the following new
17 subsections:

18 “(b) Notwithstanding the provisions of subsection (a)
19 the sums appropriated under this section shall be utilized
20 for the following purposes in the following order of priority:

21 “First, to the extent authorized by Act of Congress,
22 to enable the Secretary of Agriculture to carry out the
23 provisions of the National School Lunch Act of June 4,
24 1946 (Public Law 396): *Provided*, That no part of

1 such sums shall be used for nonfood assistance under
2 section 5 of said Act;

3 “Second, to the extent deemed appropriate by the
4 Secretary of Agriculture, to encourage utilization of
5 agricultural commodities as provided in section 12 (f)
6 of S. 2202 as passed by the Senate on March 13, 1948;

7 “Third, to assure that, during each of the fiscal
8 years 1949 through 1952 in which the supply of any
9 horticultural commodity exceeds the domestic require-
10 ments therefor, there is removed from normal domestic
11 channels of trade and commerce, as provided in sub-
12 section (a), a quantity of such commodity equal to the
13 lesser of (1) the average annual exports of such com-
14 modity during the calendar years 1934 through 1938
15 or (2) the amount by which the supply exceeds the
16 domestic requirements; and

17 “Fourth, generally for the purposes specified in
18 subsection (a).

19 In any program to carry out the purposes of clause ‘Third’
20 by encouraging the exportation of horticultural commodities,
21 the Secretary of Agriculture shall utilize normal channels
22 of private trade to the maximum extent possible. Deter-
23 mination by the Secretary of Agriculture of the average
24 annual exports of any horticultural commodity shall be final

1 for the purposes of this section. To the extent that funds
2 appropriated under this section are insufficient to accom-
3 plish the purposes of clause 'Third', such purposes shall
4 be accomplished by utilization of the reserve fund for the
5 postwar price support of agriculture made available to the
6 Commodity Credit Corporation pursuant to the First Sup-
7 plemental Surplus Appropriation Rescission Act, 1946 (60
8 Stat. 8).

9 “(c) The sums appropriated under this section shall,
10 notwithstanding the provisions of any other law, continue
11 to remain available for the purposes of this section until
12 expended; but any excess of the amount remaining unex-
13 pended at the end of any fiscal year over \$300,000,000
14 shall, in the same manner as though it had been appropriated
15 for the service of such fiscal year, be subject to the provisions
16 of section 3690 of the Revised Statutes (U. S. C., title
17 31, sec. 712), and section 5 of the Act entitled ‘An Act
18 making appropriations for the legislative, executive, and
19 judicial expenses of the Government for the year ending
20 June thirtieth, eighteen hundred and seventy-five, and for
21 other purposes’.”

S. 2318

AMENDMENTS

Intended to be proposed by Mr. MAGNUSON to the bill (S. 2318) to provide for a coordinated agricultural program.

MARCH 31 (legislative day, MARCH 29), 1948
Referred to the Committee on Agriculture and Forestry
and ordered to be printed

80TH CONGRESS
2D SESSION

H. R. 6248

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 1948

Mr. HOPE introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding any other provision of law, the Secre-
4 tary of Agriculture is authorized and directed through any
5 instrumentality or agency within or under the direction of
6 the Department of Agriculture, by loans, purchases, or other
7 operations—

8 (a) To support prices received by producers of cotton,
9 wheat, corn, tobacco, rice, and peanuts harvested before

1 December 31, 1949, if producers have not disapproved mar-
2 keting quotas for such commodity for the marketing year
3 beginning in the calendar year in which the crop is harvested.
4 The price support authorized by this subsection shall be
5 made available as follows:

6 (1) To cooperators (except cooperators outside the
7 commercial corn-producing area, in the case of corn) at
8 the rate of 90 per centum of the parity price for the
9 commodity as of the beginning of the marketing year;

10 (2) To cooperators outside the commercial corn-
11 producing area, in the case of corn, at the rate of 75
12 per centum of the rate specified in (1) above.

13 (3) To noncooperators (except noncooperators out-
14 side the commercial corn-producing area, in the case of
15 corn) at the rate of 60 per centum of the rate specified in
16 (1) above and only on so much of the commodity as
17 would be subject to penalty if marketed.

18 All provisions of law applicable with respect to loans under
19 the Agricultural Adjustment Act of 1938, as amended, shall,
20 insofar as they are consistent with the provisions of this sec-
21 tion, be applicable with respect to loans or other price-support
22 operations authorized under this subsection.

23 (b) To support until December 31, 1949, a price to
24 producers of commodities with respect to which the Secretary
25 of Agriculture, by public announcement pursuant to the pro-

visions of the Act of July 1, 1941, as amended, requested an expansion of production of not less than 60 per centum of the parity or comparable price therefor nor more than the level at which any such commodity was supported in 1948. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this subsection if the production or consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for the commodities referred to in (a) hereof.

(c) Sections 1 and 3 of the Act approved August 5, 1947 (Public Law 360, Eightieth Congress), are amended by striking out in each section the date "1948" wherever it appears and inserting in lieu thereof the date "1949".

(d) It is hereby declared to be the policy of the Congress that the lending and purchase operations of the Department of Agriculture (other than those referred to in subsections (a), (b), and (c) hereof) shall be carried out so as to bring the price and income of the producers of other agricultural commodities not covered by subsections (a), (b), and (c) to a fair parity relationship with the commodities included under subsections (a), (b), and (c), to the extent that funds for such operations are available after taking into account the operations with respect to the commodities covered by subsections (a), (b), and (c) and

1 the ability of producers to bring supplies into line with
2 demand.

3 SEC. 2. From any funds available to the Department
4 of Agriculture or any agency operating under its direction
5 for price support operations or for the disposal of agricul-
6 tural commodities, the Secretary of Agriculture is author-
7 ized and directed to use such sums as may be necessary to
8 carry out the provisions of section 1 of this Act.

9 SEC. 3. Section 22 of the Agricultural Adjustment Act,
10 as added by section 31 of the Act of August 24, 1935 (49
11 Stat. 773), reenacted by section 1 of the Agricultural
12 Marketing Agreement Act of 1937 (50 Stat. 246), as
13 amended, is hereby amended to read as follows:

14 "SEC. 22. (a) Whenever the President has reason to
15 believe that any article or articles are being or are practically
16 certain to be imported into the United States under such
17 conditions and in such quantities as to render or tend to
18 render ineffective, or materially interfere with, any program
19 or operation undertaken under this title or the Soil Conserva-
20 tion and Domestic Allotment Act, as amended, or section
21 32, Public Law Numbered 320, Seventy-fourth Congress,
22 approved August 24, 1935, as amended, or any loan, pur-
23 chase, or other program or operation undertaken by the
24 Department of Agriculture, or any agency operating under
25 its direction, with respect to any agricultural commodity or

1 product thereof, or to reduce substantially the amount of any
2 product processed in the United States from any agricultural
3 commodity or product thereof with respect to which any such
4 program or operation is being undertaken, he shall cause
5 an immediate investigation to be made by the United States
6 Tariff Commission, which shall give precedence to investiga-
7 tions under this section to determine such facts. Such in-
8 vestigation shall be made after due notice and opportunity
9 for hearing to interested parties, and shall be conducted
10 subject to such regulations as the President shall specify.

11 “(b) If, on the basis of such investigation and report
12 to him of findings and recommendations made in connec-
13 tion therewith, the President finds the existence of such
14 facts, he shall by proclamation impose such fees not in excess
15 of 50 per centum ad valorem or such quantitative limita-
16 tions on any article or articles which may be entered, or
17 withdrawn from warehouse, for consumption as he finds and
18 declares shown by such investigation to be necessary in
19 order that the entry of such article or articles will not render
20 or tend to render ineffective, or materially interfere with,
21 any program or operation referred to in subsection (a),
22 of this section, or reduce substantially the amount of any
23 product processed in the United States from any such agri-
24 cultural commodity or product thereof with respect to which
25 any such program or operation is being undertaken: *Pro-*

1 *vided*, That no proclamation under this section shall impose
2 any limitation on the total quantity of any article or articles
3 which may be entered, or withdrawn from warehouse, for
4 consumption which reduces such permissible total quantity
5 to proportionately less than 50 per centum of the total
6 quantity of such article or articles which was entered, or
7 withdrawn from warehouse, for consumption during a repre-
8 sentative period as determined by the President: *And pro-*
9 *vided further*, That in designating any article or articles,
10 the President may describe them by physical qualities, value,
11 use, or upon such other bases as he shall determine.

12 “(c) The fees and limitations imposed by the Presi-
13 dent by proclamation under this section and any revocation,
14 suspension, or modification thereof, shall become effective
15 on such date as shall be therein specified, and such fees shall
16 be treated for administrative purposes and for the purposes
17 of section 32 of Public Law Numbered 320, Seventy-fourth
18 Congress, approved August 24, 1935, as amended, as duties
19 imposed by the Tariff Act of 1930, but such fees shall not
20 be considered as duties for the purpose of granting any
21 preferential concession under any international obligation
22 of the United States.

23 “(d) After investigation, report, finding, and declara-
24 tion in the manner provided in the case of a proclamation
25 issued pursuant to subsection (b) of this section, any

1 proclamation or provision of such proclamation may be sus-
2 pended or terminated by the President whenever he finds
3 and proclaims that the circumstances requiring the proclama-
4 tion or provision thereof no longer exist or may be modified
5 by the President whenever he finds and proclaims that
6 changed circumstances require such modification to carry
7 out the purposes of this section.

8 “(e) Any decision of the President as to facts under
9 this section shall be final.

10 “(f) No proclamation under this section shall be en-
11 forced in contravention of any treaty or other international
12 agreement to which the United States is or hereafter becomes
13 a party.”

14 SEC. 4. This Act shall take effect on January 1, 1949,
15 except that section 3 shall take effect on the date of enact-
16 ment of this Act.

A BILL

To authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

By Mr. Hope

APRIL 14, 1948

Referred to the Committee on Agriculture

S. 2318

IN THE SENATE OF THE UNITED STATES

APRIL 19 (legislative day, MARCH 29), 1948

Referred to the Committee on Agriculture and Forestry and ordered to be printed

Mr. LUCAS submitted the following

AMENDMENT

Intended to be proposed by Mr. MAGNUSON to the bill (S. 2318) to provide for a coordinated agricultural program, viz: On page 46, line 11, strike out "SEC. 404" and insert in lieu thereof "SEC. 405", and insert before the new SEC. 405 the following new section:

1 SEC. 404. Section 22, as amended, of the Act entitled
2 "The Agricultural Adjustment Act", as added by the Act
3 entitled "An Act to amend the Agricultural Adjustment Act,
4 and for other purposes", approved August 24, 1935 (U.
5 S. C., title 7, sec. 624), is amended to read as follows:

6 "SEC. 22. (a) Whenever the Secretary of Agriculture
7 finds that any foreign agricultural commodity is being or
8 threatens to be imported into the United States in such

1 quantities and under such circumstances as to interfere ma-
2 terially with any agricultural support, diversion or soil con-
3 servation program, including any marketing agreement, or
4 with the profitable marketing of any like agricultural com-
5 modity produced in the United States in quantities sufficient
6 to fill domestic requirements, he shall so certify to the
7 President, with his recommendations. If the President shall
8 be satisfied that such importation exists or threatens, he
9 shall undertake the negotiation of an agreement with any
10 country or countries from which any such commodity is
11 imported into the United States, which agreement shall
12 provide such fees on the importation of any such foreign
13 agricultural commodity or such limitations on the total
14 quantities of such commodity which may be imported, or
15 both, as the President determines are necessary to prevent
16 the existing or threatened interference, and he shall then
17 by proclamation impose such fees or limitations, or both,
18 as the agreement provides: *Provided, however,* That if the
19 President determines that no such agreement can be con-
20 cluded or that substantial hardship might result to domestic
21 producers of any such commodity pending the negotiation
22 of any such agreement, he shall by proclamation impose
23 such fees or limitations, or both, as he determines are
24 necessary in order to prevent such interference.

25 “(b) The fees and import restrictions imposed under

1 this section shall become effective at such time and shall
2 remain effective for such time as provided by the President
3 in his proclamation, and such fees and restrictions may be
4 revoked, suspended or modified at any time by the President
5 if he finds, upon certification by the Secretary of Agriculture
6 or otherwise, that such revocation, suspension, or
7 modification is warranted and is consistent with the purposes
8 of subsection (a) hereof and any agreement entered into
9 hereunder.

10 “(c) No limitation shall be imposed under this section
11 on the total quantity of any commodity which may be im-
12 ported into the United States which reduces the permissible
13 annual importation of such commodity from any country to
14 less than 50 per centum of the average annual quantity of
15 such commodity which was imported from such country
16 during the period from January 1, 1929, to December 31,
17 1933, both dates inclusive. No fee imposed upon any
18 commodity under this section shall be in excess of 50 per
19 centum ad valorem, and all such fees shall be treated for
20 the purposes of all provisions of law relating to customs
21 revenue as duties imposed by the Tariff Act of 1930.

22 “(d) Any decision of the President as to facts under
23 this section shall be final.”

AMENDMENT

Intended to be proposed by Mr. MAGNUSON to the bill (S. 2318) to provide for a coordinated agricultural program.

APRIL 19 (legislative day, MARCH 29), 1948
Referred to the Committee on Agriculture and Forestry
and ordered to be printed

80TH CONGRESS
2D SESSION

H. R. 6248

[Report No. 1776]

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 1948

Mr. HOPE introduced the following bill; which was referred to the Committee on Agriculture

APRIL 21, 1948

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding any other provision of law, the Secre-
4 tary of Agriculture is authorized and directed through any
5 instrumentality or agency within or under the direction of
6 the Department of Agriculture, by loans, purchases, or other
7 operations—

8 (a) To support prices received by producers of cotton,

1 wheat, corn, tobacco, rice, and peanuts ~~harvested~~ *marketed*
 2 before ~~December 31, 1949~~ *June 30, 1950*, if producers have
 3 not disapproved marketing quotas for such commodity for
 4 the marketing year beginning in the calendar year in which
 5 the crop is harvested. The price support authorized by this
 6 subsection shall be made available as follows:

7 (1) To cooperators ~~(except cooperators outside the~~
 8 ~~commercial corn-producing area, in the case of corn)~~ at
 9 the rate of 90 per centum of the parity price for the
 10 commodity as of the beginning of the marketing year;

11 ~~(2) To cooperators outside the commercial corn-~~
 12 ~~producing area, in the case of corn, at the rate of 75~~
 13 ~~per centum of the rate specified in (1) above.~~

14 ~~(3) (2) To noncooperators (except noncooperators~~
 15 ~~outside the commercial corn-producing area, in the case~~
 16 ~~of corn)~~ at the rate of 60 per centum of the rate specified
 17 in (1) above and only on so much of the commodity as
 18 would be subject to penalty if marketed.

19 All provisions of law applicable with respect to loans under
 20 the Agricultural Adjustment Act of 1938, as amended, shall,
 21 insofar as they are consistent with the provisions of this sec-
 22 ~~tion~~ *subsection*, be applicable with respect to loans or other
 23 price-support operations authorized under this subsection.

24 (b) To support until ~~December 31, 1949~~ *June 30,*
 25 *1950*, a price to producers of commodities with respect to

1 which the Secretary of Agriculture by public announcement
 2 pursuant to the provisions of the Act of July 1, 1941, as
 3 amended, requested an expansion of production of not less
 4 than 60 per centum of the parity or comparable price
 5 therefor nor more than the level at which ~~any~~ such com-
 6 modity was supported in 1948, *except milk and its products,*
 7 *which shall be supported at 90 per centum of the parity or*
 8 *comparable price.* The comparable price for any such com-
 9 modity shall be determined and used by the Secretary for
 10 the purposes of this subsection if the production or con-
 11 sumption of such commodity has so changed in extent or
 12 character since the base period as to result in a price out of
 13 line with parity prices for the commodities referred to in
 14 (a) hereof. *In carrying out the provisions of this subsec-*
 15 *tion the Secretary of Agriculture shall have the authority to*
 16 *require compliance with production goals and marketing*
 17 *regulations as a condition to eligibility of producers for price*
 18 *support.*

19 (c) Sections 1 and 3 of the Act approved August 5,
 20 1947 (Public Law 360, Eightieth Congress), are amended
 21 by striking out in each section the date "~~1948~~" "*December*
 22 *31, 1948*" wherever it appears and inserting in lieu thereof
 23 the date "~~1949~~" "*June 30, 1950*".

24 (d) It is hereby declared to be the policy of the Con-
 25 gress that the lending and purchase operations of the Depart-

1 ment of Agriculture (other than those referred to in sub-
2 sections (a), (b), and (c) hereof) shall be carried out so
3 as to bring the price and income of the producers of other
4 agricultural commodities not covered by subsections (a),
5 (b), and (c) to a fair parity relationship with the com-
6 modities included under subsections (a), (b), and (c),
7 to the extent that funds for such operations are available
8 after taking into account the operations with respect to the
9 commodities covered by subsections (a), (b), and (c); and
10 ~~the ability of producers to bring supplies into line with~~
11 ~~demand.~~ *In carrying out the provisions of this subsection*
12 *the Secretary of Agriculture shall have the authority to*
13 *require compliance with production goals and marketing reg-*
14 *ulations as a condition to eligibility of producers for price*
15 *support.*

16 SEC. 2. From any funds available to the Department
17 of Agriculture or any agency operating under its direction
18 for price support operations or for the disposal of agricul-
19 tural commodities, the Secretary of Agriculture is author-
20 ized and directed to use such sums as may be necessary to
21 carry out the provisions of section 1 of this Act.

22 SEC. 3. Section 22 of the Agricultural Adjustment Act,
23 as added by section 31 of the Act of August 24, 1935 (49
24 Stat. 773), reenacted by section 1 of the Agricultural

1 Marketing Agreement Act of 1937 (50 Stat. 246), as
2 amended, is hereby amended to read as follows:

3 “SEC. 22. (a) Whenever the President has reason to
4 believe that any article or articles are being or are practically
5 certain to be imported into the United States under such
6 conditions and in such quantities as to render or tend to
7 render ineffective, or materially interfere with, any program
8 or operation undertaken under this title or the Soil Conserva-
9 tion and Domestic Allotment Act, as amended, or section
10 32, Public Law Numbered 320, Seventy-fourth Congress,
11 approved August 24, 1935, as amended, or any loan, pur-
12 chase, or other program or operation undertaken by the
13 Department of Agriculture, or any agency operating under
14 its direction, with respect to any agricultural commodity or
15 product thereof, or to reduce substantially the amount of any
16 product processed in the United States from any agricultural
17 commodity or product thereof with respect to which any such
18 program or operation is being undertaken, he shall cause
19 an immediate investigation to be made by the United States
20 Tariff Commission, which shall give precedence to investiga-
21 tions under this section to determine such facts. Such in-
22 vestigation shall be made after due notice and opportunity
23 for hearing to interested parties, and shall be conducted
24 subject to such regulations as the President shall specify.

25 “(b) If, on the basis of such investigation and report

1 to him of findings and recommendations made in connec-
2 tion therewith, the President finds the existence of such
3 facts, he shall by proclamation impose such fees not in excess
4 of 50 per centum ad valorem or such quantitative limita-
5 tions on any article or articles which may be entered, or
6 withdrawn from warehouse, for consumption as he finds and
7 declares shown by such investigation to be necessary in
8 order that the entry of such article or articles will not render
9 or tend to render ineffective, or materially interfere with,
10 any program or operation referred to in subsection (a),
11 of this section, or reduce substantially the amount of any
12 product processed in the United States from any such agri-
13 cultural commodity or product thereof with respect to which
14 any such program or operation is being undertaken: *Pro-*
15 *vided*, That no proclamation under this section shall impose
16 any limitation on the total quantity of any article or articles
17 which may be entered, or withdrawn from warehouse, for
18 consumption which reduces such permissible total quantity
19 to proportionately less than 50 per centum of the total
20 quantity of such article or articles which was entered, or
21 withdrawn from warehouse, for consumption during a repre-
22 sentative period as determined by the President: *And pro-*
23 *vided further*, That in designating any article or articles,
24 the President may describe them by physical qualities, value,
25 use, or upon such other bases as he shall determine.

1 “(c) The fees and limitations imposed by the Presi-
2 dent by proclamation under this section and any revocation,
3 suspension, or modification thereof, shall become effective
4 on such date as shall be therein specified, and such fees shall
5 be treated for administrative purposes and for the purposes
6 of section 32 of Public Law Numbered 320, Seventy-fourth
7 Congress, approved August 24, 1935, as amended, as duties
8 imposed by the Tariff Act of 1930, but such fees shall not
9 be considered as duties for the purpose of granting any
10 preferential concession under any international obligation
11 of the United States.

12 “(d) After investigation, report, finding, and declara-
13 tion in the manner provided in the case of a proclamation
14 issued pursuant to subsection (b) of this section, any
15 proclamation or provision of such proclamation may be sus-
16 pended or terminated by the President whenever he finds
17 and proclaims that the circumstances requiring the proclama-
18 tion or provision thereof no longer exist or may be modified
19 by the President whenever he finds and proclaims that
20 changed circumstances require such modification to carry
21 out the purposes of this section.

22 “(e) Any decision of the President as to facts under
23 this section shall be final.

24 “(f) No proclamation under this section shall be en-
25 forced in contravention of any treaty or other international

1 agreement to which the United States is or hereafter becomes
2 a party.”

3 SEC. 4. This Act shall take effect on January 1, 1949,
4 except that section 3 shall take effect on the date of enact-
5 ment of this Act.

Union Calendar No. 840

80TH CONGRESS
2D SESSION

H. R. 6248

[Report No. 1776]

A BILL

To authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

By Mr. HOPE

APRIL 14, 1948

Referred to the Committee on Agriculture

APRIL 21, 1948

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

STABILIZATION OF AGRICULTURAL PRICES

APRIL 21, 1948.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HOPE, from the Committee on Agriculture, submitted the following

REPORT

[To accompany H. R. 6248]

The Committee on Agriculture, to whom was referred the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes, having considered the same, report thereon with a recommendation that it do pass with the following amendments:

(1) Page 1, line 9, strike out the word "harvested" and insert in lieu thereof the word "marketed".

(2) Page 2, line 1, strike out the date "December 31, 1949" and insert in lieu thereof "June 30, 1950".

(3) Page 2, line 6, strike out the following "(except cooperators outside the commercial corn-producing area, in the case of corn)".

(4) Page 2, lines 10 to 12, strike out lines 10, 11, and 12.

(5) Page 2, line 13, strike out the subparagraph number "(3)" and substitute in lieu thereof the number "(2)", and strike out the following: "(except noncooperators outside the commercial corn-producing area, in the case of corn)".

(6) Page 2, line 20, strike out the word "section" and insert in lieu thereof the word "subsection".

(7) Page 2, line 23, strike out the date "December 31, 1949" and insert in lieu thereof "June 30, 1950".

(8) Page 3, line 4, strike out the word "any".

(9) Page 3, line 4, strike out the period at the end of the line and substitute a comma and add the following: "except milk and its products, which shall be supported at 90 percentum of the parity or comparable price."

(10) Page 3, line 10, add a new sentence at the end of line 10 as follows:

In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

(11) Page 3, line 13, strike out the date "1948" and insert in lieu thereof the date "December 31, 1948".

(12) Page 3, line 14, strike out the date "1949" and insert in lieu thereof the date "June 30, 1950".

(13) Page 3, line 25, insert a period after "(c)" and strike out the remainder of the sentence ending on page 4, line 2, and add the following:

In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

STATEMENT

The accompanying bill would provide for a continuation on a modified basis of price support for producers of agricultural commodities until June 30, 1950. The levels at, and methods by, which support may be provided have been modified to provide for improved administration and greater flexibility in the conduct of price-support operations so as to give to producers proper protection and to provide an adequate supply of agricultural commodities at fair prices to consumers.

PRICE-SUPPORT PROGRAMS AND THE WAR

The price-support programs for agricultural commodities which would be modified and continued by this bill came into being principally because of the urgent demands for increased food and fiber production to meet war and essential civilian needs. Some of the price-support programs were built upon and around prior legislation, such as the Agricultural Adjustment Act of 1938, as amended. Other programs were inaugurated under powers already vested in the executive branch of the Government without further legislative action. Still other programs came about as the result of amendments to legislation dealing with price control and economic stabilization activities during the war. These programs have been invaluable in obtaining necessary production of agricultural commodities. Most of the various price-support programs were scheduled to terminate 2 years after the 1st day of January immediately following the date upon which the President, by proclamation, or the Congress, by concurrent resolution, declared that hostilities in the present war had terminated. This 2-year period of mandatory price support at certain levels was provided originally to give producers an opportunity to make readjustments in production. The President, by proclamation, on December 31, 1946, declared that hostilities in the present war had ceased, thereby automatically terminating, in the absence of further legislation, certain price-support programs on December 31, 1948.

The Committee on Agriculture shortly after the Eightieth Congress convened commenced working to develop a new and long-range agricultural program to supplant the wartime program. Extensive hearings were held in Washington throughout the first session of the

Eightieth Congress. During the summer recess the committee held hearings throughout the length and breadth of the Nation to obtain first-hand the views of the farmers to assist in developing a long-range agricultural policy.

In the period since the issuance of the President's proclamation events of great significance to our economy have taken place throughout the world. These developments included one of the worst weather periods in the history of western Europe, which resulted in a further drastic reduction in an already greatly reduced agricultural production. In June came the speech of the Secretary of State outlining the so-called Marshall plan. Shortly thereafter there developed the crises in France, Italy, and Austria which brought about the enactment of the Foreign Aid Act of 1947 authorizing emergency aid for such countries. The aid provided under that act required the exportation of large quantities of agricultural commodities. Concurrently with these events, the 16 nations embraced within the so-called Marshall proposal were busily engaged, in conjunction with representatives of this country, in developing a plan of aid designed to assist in the economic recovery of western Europe and in the stabilization of free governments which were being subjected to increased pressures from the east. This culminated in the European recovery program and the enactment of the Economic Cooperation Act of 1948. The effect of these developments has been to change drastically the agricultural outlook from what it was at the time the President declared an end to hostilities and at the time the committee commenced work on its long-range agricultural program in this Congress.

All of the developments referred to above have resulted in heavy demands upon American agriculture equivalent to those experienced during the war. During and since the war, it has been necessary to continue agricultural production far above prewar levels, and farmers have not had an opportunity as was contemplated to adjust their production to anything like anticipated normal peacetime demands because urgent needs for food and fiber throughout the world have been too great. The full impact of the foreign Aid Act of 1947, approved December 17, 1947, and of the Economic Cooperation Act of 1948, approved April 3, 1948, on American agriculture is not yet known, and no one can, with certainty, predict what it will be. We may, however, be assured that the repercussions will be great. In view of these rapidly changing circumstances and conditions, the committee has experienced extreme difficulty in attempting to formulate a long-range agricultural price-support policy which will be effective under conditions which may be expected to exist under normal peacetime situations and at the same time meet conditions as they exist at present. The reason for this difficulty is readily apparent. Programs designed to meet average peacetime situations simply are not adequate to cope with the extraordinary domestic and international conditions confronting the world today. At present, there appears to be little prospect of any substantial lessening in the demands for products of American farms from that experienced during the past year. It is imperative, therefore, that we keep in readiness the tools by which we may obtain food production at maximum levels, consistent with sound land-conservation practices, if we are to have available at fair prices the kinds and amounts of food needed to meet our domestic requirements and at the same time carry out the obliga-

tions we have assumed in foreign fields. It is also necessary that the tools be flexible enough to bring about adjustments to meet changing conditions. The accompanying bill provides that flexibility.

There is at present considerable uncertainty in the minds of farmers, and among Government officials administering various agricultural and foreign-aid programs, concerning the agricultural situation which will prevail after the end of this year. Since some of these support programs are scheduled to terminate at the stroke of midnight on December 31, 1948, while others continue on throughout the marketing year for certain 1948 crops, our production and marketing pattern could be severely distorted unless these uncertainties are removed at an early date. The committee is, therefore, recommending the immediate enactment of the accompanying bill, which provides for a continuation of price-support programs on a somewhat modified basis. The authority provided under this bill, it is believed, will permit maximum production of essential commodities to be obtained and at the same time permit such adjustments in the production and marketings of certain less essential commodities as may be necessary to bring about a reasonable balance in the supply of foods and other agricultural commodities with changing levels of demand.

In recommending enactment of this bill it should clearly be recognized that the committee is continuing its work in formulating a long-range agricultural price-support policy. For this and for the other reasons referred to herein, the committee believes it would be unwise at this time to extend the price-support programs provided for in the accompanying bill beyond June 30, 1950. Prior to that time, the committee expects to have some recommendations with respect to a long-range agricultural price-support policy available for the consideration of the Congress. The enactment of this program now, however, will give farmers assurance of continued price support so that they can, with confidence, make plans for the future and provide the quantities of food and other farm products so vitally needed in the world today.

ANALYSIS OF THE BILL

Section 1 (a): Section 1 (a) of the bill, as amended by the committee, provides for a continuation of price support for cotton, wheat, corn, tobacco, rice, and peanuts which are marketed before June 30, 1950. This will provide price support throughout the normal marketing period and permit ample opportunity for the 1949 crops to be marketed in their customary manner.

As amended, the bill will provide for price support, if producers have not disapproved marketing quotas, at 90 percent of parity for cooperators, and for noncooperators at 60 percent of the rate specified for cooperators, and only on so much of the commodity as would be subject to penalty if marketed. This is the same level at which such commodities have been authorized to receive price support under the present provisions of law, with the exception of cotton, which has been authorized to be supported at 92½ percent of the parity price, and of corn produced outside the commercial corn-producing area, which has been authorized to be supported at the rate of 75 percent of the rate specified for cooperators for corn produced within the commercial corn-producing area. The provisions of the bill having to do with commercial and noncommercial corn-producing areas have

been eliminated, because it is desirable, in times of short supply, to obtain the desired production irrespective of the area in which such production is obtained.

Price-support programs under this bill are authorized to be provided in the form of loans, purchases, or other operations, whereas under the existing law such price support has been authorized in the form of loans. Price support which may be carried out in the form of loans, purchases, or other operations will give greater flexibility and make for improved administration.

Section 1 (b): Section 1 (b) of the bill authorizes and directs the Secretary of Agriculture to provide price support for those commodities with respect to which the Secretary of Agriculture, by public announcement pursuant to the provisions of the act of July 1, 1941, as amended, had requested an expansion of production. The level at which such commodities are to be supported is not less than 60 percent of the parity or comparable price and not more than the level at which such commodities were supported in 1948, except that milk and its products are to be supported at 90 percent of the parity or comparable price. In providing price support for milk and its products at 90 percent, it is intended that programs should be carried out in such manner as to reflect to producers of milk and butterfat 90 percent of the parity price and not to provide price support for processors, except as it may be necessary to reflect the support level to producers of milk and butterfat. Under the present law commodities covered by this subsection have been required to be supported at not less than 90 percent of the parity or comparable price. Under this section, except as to milk and its products, price support may be reduced as low as not less than 60 percent of the parity or comparable price, thereby enabling the Secretary of Agriculture to reduce the support level when necessary to discourage production of less essential commodities and to prevent surpluses. The bill will also permit such commodities to be supported at the levels at which they are to be supported in 1948, if the Secretary deems it necessary to support prices at such levels in order to obtain needed production.

In addition to having authority to vary the support level, the Secretary, under the committee amendment, is also authorized to require compliance with production goals and marketing regulations as a condition to eligibility for price support. This authority is believed necessary to provide for the effective administration of price-support programs, particularly with respect to certain highly perishable commodities. This provision will also authorize the continuance of the production goals and marketing regulations which have been announced by the Department of Agriculture in connection with the 1948 price-support program for potatoes.

Section 1 (c): Section 1 (c) will continue the present price-support program for wool, which would otherwise terminate on December 31, 1948, until June 30, 1950. The authority under which this program is conducted has not been changed in any other respect.

Section 1 (d): Section 1 (d) declares it to be the policy of the Congress that the lending and purchase operations of the Department of Agriculture shall, after taking into consideration the availability of funds, be carried out so as to bring the price and income of producers of other agricultural commodities to a fair parity relationship with the commodities covered in subsections (a), (b), and (c). The intent of

this provision is the same as that of the present law, with the exception that the authority of the Secretary to take into consideration the ability of producers to bring supplies into line with demand and to require that producers take such action through the imposition of production goals or marketing regulations as a condition to eligibility for price support has been broadened.

Section 2: This section authorizes the Secretary of Agriculture to use any funds available to the Department of Agriculture, or any agency operating under the supervision of the Secretary of Agriculture, for price support or stabilization operations in carrying out the provisions of this act.

Section 3: This section would amend section 22 of the Agricultural Adjustment Act as reenacted by the Agricultural Marketing Agreement Act of 1937. The bill is designed to strengthen price-support programs for American agricultural commodities and to prevent their disruption through excessive imports of foreign commodities.

The revision of section 22 would carry out recommendations heretofore made by the President to the Congress and more recently requested of this Congress by the Secretary of Agriculture.

In requesting revision of section 22, the Secretary of Agriculture stated:

The field within which the authority granted by section 22 may be exercised is so limited that the authority cannot be of much aid to the Department of Agriculture in discharging its price-support obligations in this period of adjustment. If a program of the Department is not undertaken pursuant to one of the three statutes referred to in section 22, the authority conferred by that section may not be utilized to control the importation of an article the importation of which is materially interfering with the successful operation of the program by the Department.

The principal changes contemplated by this section of the bill are:

(1) To extend the authority of section 22 so as to cover not only agricultural commodities but also the products thereof;

(2) To extend such authority so as to cover articles the import of which affects any loan, purchase, or other programs or operations undertaken by the Department of Agriculture (including price support and stabilization operations) with respect to any agricultural commodity or product thereof;

(3) To make the provisions with respect to quantitative limitation restrictions applicable to the total quantity of an article imported during a representative period as determined by the President, rather than to each country's average annual quantity of the article imported during the period from January 1, 1929, to December 31, 1933, as now provided;

(4) To authorize the President, by a specific grant of authority, to describe designated articles by physical qualities, value, use, or upon such bases as he determines;

(5) To clarify the definition with respect to the fees authorized, which are considered duties for some purposes, as now provided, so that they shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States, as, for example, our duty preference arrangements with Cuba; and

(6) To prohibit enforcement of a proclamation under section 22 that would be in contravention of any treaty or international agreement to which the United States is a party.

CHANGES IN EXISTING LAW

In compliance with clause 2a of rule XIII of the House of Representatives, changes in existing law made by this bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is italicized, and existing law in which no change is proposed is shown in roman):

PUBLIC LAW 360, EIGHTIETH CONGRESS, APPROVED AUGUST 5, 1947, TO PROVIDE SUPPORT FOR WOOL, AND FOR OTHER PURPOSES

SECTION 1. (a) The Community Credit Corporation shall continue, until **[1948]** 1949, to support a price to producers of wool in the continental United States and Territories at the price it supported wool in 1946.

(b) Notwithstanding any other provisions hereof, the Commodity Credit Corporation may adjust support prices for individual grades and qualities of wool for the purpose of bringing about a fair and equitable relationship in the support prices for the various grades and qualities of wool; and may make discounts from support prices for off-quality, inferior-grade, or poorly prepared wool.

SEC. 2. The provisions of sections 385, 386, and 388 of the Agricultural Adjustment Act of 1938, as amended, shall be applicable to the support operations carried out pursuant to the first section of this Act.

SEC. 3. The Commodity Credit Corporation may, until December 31, **[1948]** 1949, dispose of wool owned by it without regard to any restriction imposed upon it by law.

The changes in existing law proposed by section 1 (c) of the bill referred to above show the changes as made by the bill as introduced. There are set forth below the changes that would be made by the committee amendments:

SECTION 1. (a) The Commodity Credit Corporation shall continue, until **[December 31, 1948]** *June 30, 1950*, to support a price to producers of wool in the continental United States and territories at the price it supported wool in 1946.

(b) Notwithstanding any other provisions hereof, the Commodity Credit Corporation may adjust support prices for individual grades and qualities of wool for the purpose of bringing about a fair and equitable relationship in the support prices for the various grades and qualities of wool; and may make discounts from support prices for off-quality, inferior-grade, or poorly prepared wool.

SEC. 2. The provisions of sections 385, 386, and 388 of the Agricultural Adjustment Act of 1938, as amended, shall be applicable to the support operations carried out pursuant to the first section of this Act.

SEC. 3. The Commodity Credit Corporation may, until **[December 31, 1948]** *June 30, 1950*, dispose of wool owned by it without regard to any restriction imposed upon it by law.

SECTION 22 OF THE AGRICULTURAL ADJUSTMENT ACT, REENACTED BY SECTION 1 OF THE AGRICULTURAL MARKETING AGREEMENT ACT OF 1937

SEC. 22. (a) Whenever the President has reason to believe that any **[one or more]** *article or articles* are being or are practically certain to be imported into the United States under such conditions and in **[sufficient]** *such* quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken**],** or to reduce substantially the amount of any product processed in the United States from any commodity subject to and with respect to which any program is in operation,**]** under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, *or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken,* he shall

cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation[s] shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify.

(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees [on, or such limitations on the total quantities of,] *not in excess of 50 per centum ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary [to prescribe] in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation [undertaken, or will not] referred to in subsection (a), of this section, or reduce substantially the amount of any product processed in the United States from any [commodity subject to and] such agricultural commodity or product thereof with respect to which any such program [is in operation, under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended] or operation is being undertaken: Provided, That no [limitation shall be imposed] proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be [imported from any country] entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 per centum of the [average annual] total quantity of such article or articles which was [imported from such country during the period from January 1, 1929, to December 31, 1933, both dates inclusive.] entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: And provided further, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine.*

(c) The fees and [import restrictions proclaimed] limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, [in such proclamation, revocation, suspension, or modification] and such fees [, which shall not be in excess of 50 per centum ad valorem,] shall be treated for [the] administrative purposes [of all provisions of law relating to customs revenue] and for the purposes of section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930[.], but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States.

[(e)] (d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist[,] or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section.

[(d)] (e) Any decision of the President as to facts under this section shall be final.

(f) No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party.

PROVIDING FOR A COORDINATED AGRICULTURAL
PROGRAM

MAY 17 (legislative day, MAY 10), 1948.—Ordered to be printed

Mr. AIKEN, from the Committee on Agriculture and Forestry,
submitted the following

REPORT

[To accompany S. 2318]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 2318) to provide for a coordinated agricultural program, having considered same, report thereon with a recommendation that it do pass with an amendment.

HISTORY OF LEGISLATION

Pursuant to Senate Resolution 147, the chairman of the Senate Committee on Agriculture and Forestry on August 11, 1947, appointed a subcommittee to make a study and inquiry into the trends, needs, and problems of agriculture, and to make what it considered to be desirable recommendations for the consideration of the Congress. In its report to the committee, the subcommittee developed an economic basis for a long-range agricultural policy and program by setting forth the peculiarities of agriculture which make such a policy desirable from the standpoint of all consumers and the national welfare, and by listing the general objectives in accomplishing the integration of agriculture in the national economy as well as the points where Federal action is needed to stabilize the agricultural economy in the interest of a sound national economy.

The subcommittee report was approved by the committee and submitted to the Senate on February 9, 1948, as Senate Report No. 885.

The subcommittee also drafted S. 2318 which was introduced in the Senate and was intended as a working basis for the committee. Comprehensive hearings were conducted on the measure and with the additional background of the study by the subcommittee, the experience gained from the operation of the present farm program for more than a decade, and the help of private and public officials interested

in agriculture, the committee has evolved the policy and program embodied in the amendment proposed to S. 2318.

While members of the committee held divergent views on particular phases of an agricultural program, every effort was made to reconcile the differing views into a policy and program which meets the unanimous approval of all. The bill as amended is the result of such effort.

It is the opinion of the committee that this is the best time to develop sound agricultural legislation. At present most segments of our farm population are enjoying an income which compares favorably with that of industry and labor with surpluses and carry-overs at a low level. The immediate enactment of permanent agricultural legislation will prevent to a great extent the economic emergencies which have resulted in severe crises for farmers in the past, thus avoiding hasty action to meet economic distress. In developing this legislation, the committee has kept that purpose and goal in mind.

The committee recognized that legislation now on the statute books is accomplishing a number of objectives of a long-range farm policy. The proposed legislation was developed with a view to rounding out as far as possible at this time, a coordinated, well-balanced, permanent program for agriculture, designed for the ultimate benefit of all our people.

It is essential that a sound agricultural policy provides for the efficient production of food, fiber, and forest products at a level of income to farmers which provides them with a good level of living and insures their remaining stable users of the goods and services furnished by other segments of our economy. The committee believes this is vital in the development of a stable national economy.

GENERAL OBJECTIVES

This legislation is designed to accomplish two major objectives. First, the bill provides for the coordination of agricultural programs at the National, State, and county levels. The operations of the Soil Conservation Service and the Agricultural Conservation Programs Branch of the Production and Marketing Administration are combined at the national level as the Bureau of Agricultural Conservation and Improvement. It further provides for close coordination at State and local levels of those programs with other Federal and State agencies dealing with farmers. The programs at the local and State levels will be coordinated largely by farmer-elected county and State committees which will help formulate policy and develop programs as well as administer them in cooperation with the Secretary of Agriculture. The work now being done by local soil-conservation districts will continue to be administered as at present.

Second, the bill provides for a flexible price-support program for agricultural commodities adjusted to the supply and designed to obtain fair prices for farm products and assure abundant production. It is the opinion of the committee that such a program will help stabilize the national economy while aiding the agricultural economy of this country.

Price experiences from 1930 to 1936 demonstrated that when farm prices fall below certain levels for a prolonged period of time, they contribute to national depression. In fact it may be said that when farm prices fall below 60 percent of parity for a prolonged period, it not only

leads farmers into bankruptcy, but it materially affects the national economy because the farmer ceases to be a normal purchaser of goods and services.

On the other hand, it has been demonstrated that fixed price supports for farm products without reference to supplies of products, have encouraged the producer to continue to expand production without regard for the demand for his products. Thus, support prices should be maintained somewhere between 60 and 90 percent of parity. The essence of the price-support plan embodied in S. 2318 is to provide for a flexible support program based upon supports of 75 percent of parity for a normal supply of production with the support price lowering 1 percent for each increase of 2 percent in supply above normal and vice versa. Hence, if the supply of products exceeds 130 percent of normal, the support price falls to 60 percent of parity, and if the supply of products falls to 70 percent or less of normal, the support price rises to 90 percent of parity.

The remaining sections of this report are devoted to the specific provisions proposed to effect the above objectives.

BUREAU OF AGRICULTURAL CONSERVATION AND IMPROVEMENT

The bill provides for the establishment of a Bureau of Agricultural Conservation and Improvement which will combine the functions at the national level of the Soil Conservation Service and the Agricultural Conservation Programs Branch of the Production and Marketing Administration. The integration of these agencies at the national level is essential in view of their common purpose and in the interest of economy.

In providing for further coordination of agricultural programs, the bill specifically states that work pertaining to educational, informational, and demonstrational functions shall be exercised through the Agricultural Extension Service of the United States Department of Agriculture in cooperation with the State agencies. It also directs that the research and investigational functions of the Division of Soil Conservation and Improvement of the United States Department of Agriculture, as provided for, shall be exercised in cooperation with the agricultural experiment stations.

COMMUNITY AND COUNTY AGRICULTURAL PROGRAM COMMITTEES

Throughout the field hearings held by the Senate subcommittee there was a demand on the part of farmers that they be given more responsibility in planning and directing farm programs to meet local needs and to avoid duplication of effort and unnecessary costs at local levels. The bill is designed to coordinate the work with individual farmers at the local and State levels before the existing agencies get further apart and bring either added confusion or excessive costs through conflict or duplication of effort in local communities.

The bill provides for an election by all farmers of community and county agricultural program committees. Such an election in itself should provide for full farm representation. However, the bill provides that the State agricultural council, which is discussed later, may designate officials of certain additional organizations such as the soil-conservation districts or grazing associations, who may, because

of their position, serve on the local county agricultural program committee. This committee shall elect a small executive committee of from three to five members from their own number who will serve as an administrative group to direct local programs and to carry out duties assigned to them by the State agricultural council in cooperation with the Secretary of Agriculture.

Specifically the duties of the county agricultural executive committee would be (1) to secure personnel to carry out such work as the Secretary of Agriculture through the State agricultural council assigns to it; (2) to see that this personnel performs the functions assigned to them; (3) to see that the present work of the Soil Conservation Service, the current operations of the Production and Marketing Administration dealing directly with individual farmers, the Agricultural Extension Service, and other agencies is coordinated to prevent overlapping, duplication, and infringement of one agency upon duties of another; (4) to effect savings in administrative costs at the county level or to make needed services in the county more effective; (5) to recommend to the Secretary of Agriculture, through the State agricultural council, ways in which the county work can be made more effective in terms of better service, better use of personnel and emphasis upon phases of work most essential to the county.

It is the intent of the committee that this type of organization will come to have a prominent place not only in administering the program now set forth in the bill, but to develop into an organization which will go much further in coordination of all agricultural programs. As this type of coordination develops it is believed that the Secretary will wish to give added responsibilities to the county executive committees and that they can help promote State agricultural activities that may be assigned to it.

It is further believed that the best way to conserve funds made available for the various local programs is to vest in local farmer elected committees the responsibility of seeing to it that the directions developed cooperatively within the provisions of existing law, by the Secretary of Agriculture and the several State agricultural councils, are properly carried out. This arrangement need not require that farmers elected to the county agricultural program executive committees or to the State agricultural council serve in any capacity beyond that of a board of directors. In other words, they may employ workers to administer the programs which are to be carried out under their direction. This type of administrative organization should utilize the most competent farmer leadership at the local levels.

STATE AGRICULTURAL COUNCIL

The State agricultural council previously mentioned is provided for with a majority of its members elected in convention by the chairmen of the elected county agricultural program executive committees of the State and which shall include three ex-officio members, namely the State commissioner (or director) of agriculture, the director of the Agricultural Extension Service, and the director of the agricultural experiment station, or their designees. The committee believes that an elected State agricultural council will provide a democratic form of organization and insure a more thoroughly coordinated and efficient organization for carrying out agricultural programs. Hence the key

to the coordination of all action programs is the organization of the State agricultural council and the county agricultural program executive committee, which are farmer elected and thus represent all farmers and the various agencies serving farmers.

UTILIZATION OF STATE AGRICULTURAL COUNCILS AND COUNTY AGRICULTURAL PROGRAM EXECUTIVE COMMITTEES

The bill provides that the Secretary of Agriculture shall consult with the State agricultural council regarding the allocation of Federal funds to a State and that he shall utilize the State agricultural council, the community and county agricultural program committees, and the county agricultural program executive committee in administering the Soil Conservation and Domestic Allotment Act. The bill places emphasis upon the use of the funds to encourage and provide for soil-conserving and soil-rebuilding practices, and that the Secretary shall determine upon desirable soil-building and soil-conserving practices only after consultation with the State agricultural council.

The Secretary is also authorized to assign such other functions as he may find desirable within the scope of existing legislation to the State council and local committees.

PRICE-SUPPORT PROGRAM

The most significant feature of the price-support program embodied in the bill is that price supports are provided on a flexible basis which is intended to be self-adjusting to the supply of farm products. The basic support level shall be 75 percent of parity when the supply of farm products is at a normal level.

Six farm crops, corn, wheat, cotton, rice, peanuts, and tobacco are continued as basic commodities. Mandatory price supports will drop to 60 percent of parity when supplies exceed 130 percent of normal, and rise to 90 percent of parity if supplies fall to 70 percent of a normal supply.

Special mention is made of wool as a nonbasic commodity since the supply of wool has dropped to less than 300,000,000 pounds, the lowest level in more than 40 years. The committee believes that it is in the national interest to encourage the production of approximately 360,000,000 pounds of wool as a minimum. Therefore, the Secretary is directed to support the price of wool at not less than 60 or more than 90 percent of parity in order to obtain and maintain an annual production of approximately 360,000,000 pounds.

Products other than the six basic commodities and wool are to be supported at not more than 90 percent of parity, no lower limit being named. The degree of support must depend, at least for perishable commodities, upon the funds available. The Commodity Credit Corporation may support the price of storable farm commodities after taking into consideration the following factors:

1. A supply of the commodity in relation to the demand therefor.
2. Price levels at which other commodities are being supported.
3. The availability of funds.
4. The perishability of the commodity.
5. Its importance to agriculture and the national economy.
6. The ability to dispose of stores acquired through a price-support operation.

7. The ability and willingness of producers to keep supplies in line with demand.

Attention is further directed to the support of perishable products which are not readily storable but which are eligible for price supports to the availability of section 32 funds, which represent 30 percent of import duties. At present nearly half of section 32 funds are directed to the school-lunch program which may be regarded both as a measure to insure better nourishment of school children and a means of utilizing abundant or surplus products.

In the event of national need the Secretary of Agriculture may raise the support price of a commodity above 90 percent of parity.

Under the price-support plans as set forth in the bill the intention is to help provide an abundant food supply while at the same time supporting a sound national economy. The plan is essentially one of placing a floor under farm prices at a level which will not encourage overexpansion in the production of any particular commodity, but will keep all commodities in balance with each other.

PARITY FORMULA

The basis for price supports for farm products is parity prices. Parity prices for farm products are prices determined by a formula established by Congress and designated by Congress as being fair and equitable prices. The intent of Congress was to establish parity prices at a level that would give farm products in general a constant purchasing power in terms of things farmers buy. The basis chosen was the period 1909-14. The "parity price" formula has served a useful means of measuring the fairness of farm prices but the further they are removed in time from the period 1909-14 the less accurate parity prices become because of changed conditions in the demand for farm products for domestic consumption and for export and changes in the relative costs of producing different farm products.

The new parity price formula in S. 2318 retains the 1909-14 base for determining the current relationship between the things the farmer buys and those he sells. However, it is revised to take into account changes which have occurred in the demand for farm products and changes in their methods and costs of production by providing that the parity price of any farm product in relation to the parity price of any other farm product shall be the same as their actual price relationships for the immediately preceding 10 years.

Because of new products introduced into our agriculture, marked changes in the cost of producing some products, and changes in consumption, many different base periods have been used in calculating parity prices. The committee believes the revised formula will make possible the use of the same formula for practically all farm products. If it is found, however, that a parity price for some product is not equitable or later becomes inequitable, proper procedure is provided for its revision.

NORMAL SUPPLY

In setting up the price-support program one of the major objectives is to maintain an abundant production of farm products. This requires a frequent determination of a desirable supply or a "normal supply" of farm products. A "normal supply" of farm products

shall be the past year's domestic consumption plus the expected current year's exports plus the following carry-over of the products named, corn 7 percent, cotton 23 percent, rice 10 percent, wheat 15 percent, peanuts 15 percent, and tobacco 175 percent of domestic consumption and 65 percent of exports. These amounts of the basic commodities are considered necessary to maintain the necessary amounts of farm products in the normal channels of trade.

MARKETING QUOTAS

S. 2318 further provides that the Secretary may call a referendum of producers to decide on voting controls or marketing quotas on corn, cotton, rice, or wheat when the supply of any one of these products exceeds the "normal supply" by 15 percent or when farmers are receiving less than 70 percent of parity and the supply is less than "normal supply." Producers of peanuts and tobacco are permitted to vote on quotas under existing legislation.

The present policy of withholding price supports from noncooperators and the system of penalty payments for violation of marketing quotas is continued.

MISCELLANEOUS

Because of the complexity of administering price-support programs with regard to the amount of commitments, provision is made for continuity in the use of section 32 funds. The bill directs that section 32 funds will remain available to the Secretary until expended in order to meet any possible future emergency, but the total amount remaining unexpended at the end of any fiscal year shall not exceed \$300,000,000.

Section 22 of the Agricultural Adjustment Act of 1933 is amended to include any commodity subject to price-support operations under the provisions whereby the President may take corrective action upon finding that imports are rendering or tending to render any particular price-support program ineffective. However, the imposition of import fees or quotas under section 22 shall not be enforced in contravention to any treaty or international agreement to which the United States is or hereafter becomes a party.

CONCLUSION

While the combining of the program embodied in S. 2318 with the present farm program does not accomplish all immediate legislative objectives, it is the earnest opinion of the committee that this legislation is a proper step in that direction. Furthermore, it represents a minimum of legislation needed to cope with the readjustment of prices when the Steagall amendment expires. It is believed that this method of supporting prices will prevent financial disaster to farmers, that it permits farmers considerable freedom to adjust production to meet demand through their own efforts, that it will result in a minimum of expenditures of Federal funds and that the plan is thoroughly workable. The revisions of the farm program contained in this legislation will aid materially in achieving the general objective of helping agriculture maintain its proper place in the economy of this country.

Therefore, the committee urges enactment of S. 2318 at the earliest possible time.

Calendar No. 1346

80TH CONGRESS
2D SESSION

S. 2318

[Report No. 1295]

IN THE SENATE OF THE UNITED STATES

MARCH 15, 1948

Mr. AIKEN (for himself, Mr. BUSHFIELD, Mr. WILSON, Mr. THYE, Mr. THOMAS of Oklahoma, Mr. ELLENDER, and Mr. LUCAS) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

MAY 17 (legislative day, MAY 10), 1948

Reported by Mr. AIKEN, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To provide for a coordinated agricultural program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this ~~Act~~ may be cited as the "*Agricultural Act of*
4 1948".

5 DECLARATION OF POLICY

6 SEC. 2. It is hereby recognized that a sound national
7 economy requires that each segment of the population be
8 maintained as an efficient producer and a constant consumer
9 of goods and services, and it is hereby declared to be the

1 policy of Congress to provide for a coordinated program, to
2 be administered by the Secretary of Agriculture in coopera-
3 tion with agencies in the several States, and designed—

4 (1) to assure an abundant production of all agri-
5 cultural products necessary for the improved nutrition
6 and clothing of all our people;

7 (2) to develop a means of supporting agricultural
8 income on a flexible basis relative to prices and produc-
9 tion so as to foster desirable shifts in agricultural produc-
10 tion and aid in stabilizing the national economy;

11 (3) to improve methods of marketing, facilitate
12 distribution, and increase utilization of agricultural com-
13 modities in both domestic and foreign markets;

14 (4) to regulate interstate and foreign commerce in
15 cotton, wheat, corn, tobacco, rice, peanuts, and wool to
16 the extent necessary to provide an orderly, adequate,
17 and balanced flow of such commodities in interstate and
18 foreign trade through price support, marketing quotas,
19 diversion to various economic uses, and other means;

20 (5) to assist consumers in obtaining adequate and
21 steady supplies of high-quality farm products at fair and
22 equitable prices;

23 (6) to assist low-income families and school chil-
24 dren in maintaining an adequate diet, particularly in
25 periods of underconsumption and unemployment;

1 ~~(7)~~ to obtain full cooperation and coordinated action
2 of farm operators in conserving, restoring, and develop-
3 ing our soil, water, and forest resources;

4 ~~(8)~~ to provide more adequately for the coordina-
5 tion and expansion of Federal and State soil surveys and
6 other investigations, experimentation, and research per-
7 taining to the conservation, restoration, and development
8 of our natural agricultural resources, and for the publica-
9 tion of the results of such studies;

10 ~~(9)~~ to assure that incentive payments to farmers in
11 each State for soil conservation practices shall be made
12 only for practices approved jointly by the State agri-
13 cultural council ~~(hereinafter provided for)~~ and the Sec-
14 retary of the United States Department of Agriculture;

15 ~~(10)~~ to provide for the fullest development and the
16 most efficient employment of rural human resources;

17 ~~(11)~~ to provide more fully for adult education
18 through cooperative agricultural extension work as the
19 recognized educational and demonstrational medium for
20 reaching farm people and others in regard to agricul-
21 tural information, policies, and programs;

22 ~~(12)~~ to provide for the full development of personal
23 initiative and local responsibility in the development
24 and administration of programs for the maintenance of a
25 progressive agriculture;

1 ~~(13)~~ to provide for the adaption of agricultural
2 programs to the different and changing needs of regional
3 and local communities;

4 ~~(14)~~ to make more effective the various research
5 activities sponsored by the United States Department of
6 Agriculture by providing for the separate administration
7 of action programs and research work;

8 ~~(15)~~ to facilitate farm home ownership by farm
9 operators through improving and safeguarding the feder-
10 ally sponsored credit services available to farm operators;

11 ~~(16)~~ to encourage producers, processors, distribu-
12 tors, and consumers to enter into marketing agreements
13 for the supplying of adequate quantities of selected farm
14 products at a reasonable and assured price; and

15 ~~(17)~~ to accumulate certain revenues for judicious
16 use in the support of prices of highly perishable products,
17 including fresh fruits, vegetables, milk, and eggs, in
18 facilitating distribution for diet improvement of low-
19 income families and school children, and in stimulating
20 improved nutrition.

21 ~~TITLE I—REORGANIZATION~~

22 ~~DECENTRALIZATION OF FUNCTIONS~~

23 SEC. 101. The Secretary of Agriculture (hereinafter
24 called the "Secretary") shall establish an agency, to be
25 known as the "Bureau of Agricultural Conservation and Im-

1 provement", to exercise all functions of the Secretary and of
2 the various bureaus and agencies within the Department of
3 Agriculture which ~~(1)~~, prior to the enactment of this Act,
4 were assigned to the Soil Conservation Service or to the
5 Agricultural Conservation Programs Branch of the Produc-
6 tion and Marketing Administration, or ~~(2)~~ the Secretary
7 deems to be principally related to soil conservation and
8 improvement or to those aspects of programs of the Depart-
9 ment of Agriculture which require direct dealings by the
10 Department with farmers; except that, subject to the super-
11 vision and direction of the Secretary—

12 ~~(a)~~ the educational, informational, and demon-
13 strational features of such functions shall be exercised,
14 in the several States, Alaska, Hawaii, and Puerto Rico,
15 through the Extension Service of the United States
16 Department of Agriculture in cooperation with the agen-
17 cies performing cooperative agricultural extension work;

18 ~~(b)~~ the research and investigational features of such
19 functions shall be exercised through the agricultural ex-
20 periment stations in the several States, Alaska, Hawaii,
21 and Puerto Rico in cooperation with the Division of
22 Soil Conservation and Improvement, hereinafter pro-
23 vided for, in the Office of Experiment Stations; and

24 ~~(c)~~ such functions, except as provided by clauses
25 ~~(a)~~ and ~~(b)~~ of this section, shall within the continental

1 United States be performed at State and county levels;
 2 insofar as the Secretary may deem practicable, by the
 3 State agricultural councils and by the county agricultural
 4 associations and executive committees hereinafter pro-
 5 vided for.

6 The functions assigned pursuant to this section to the State
 7 agricultural councils and the agencies performing cooperative
 8 agricultural extension work shall be closely coordinated by
 9 the Secretary and by such councils and agencies. The
 10 Secretary shall abolish the regional offices of the Soil
 11 Conservation Service, and no regional offices shall be
 12 established to perform functions formerly exercised by them;
 13 except that, upon the request of the State agricultural
 14 councils for any two or more States, the Secretary may
 15 establish a regional office to perform for such States the
 16 functions for which such office is requested. In the event a
 17 regional office is established pursuant to such a request the
 18 expenses of such office shall be paid in such amounts and
 19 proportion as such State agricultural councils may agree from
 20 funds which would otherwise be available for soil conserva-
 21 tion purposes in such States.

22 APPROPRIATIONS AVAILABLE FOR FUNCTIONS TO BE
 23 PERFORMED AS COOPERATIVE EXTENSION WORK

24 SEC. 102. (a) ~~(A)~~ Any sums heretofore or hereafter
 25 appropriated, other than as grants-in-aid, and available for

1 functions which the Secretary determines to be functions
 2 required by section 101 (a) of this Act to be exercised
 3 through the Extension Service and cooperating agencies in
 4 the several States and the Territory of Hawaii, to the ex-
 5 tent that such funds are available at the time the Secretary
 6 makes such determination, and (B) any sums appropriated
 7 specifically for functions covered by section 101 (a), shall
 8 be paid to the several States and the Territory of Hawaii in
 9 the same manner and subject to the same conditions and
 10 limitations as the additional sums appropriated under the Act
 11 entitled "An Act to provide for cooperative agricultural ex-
 12 tension work between the agricultural colleges in the several
 13 States receiving the benefits of the Act of Congress approved
 14 July 2, 1862, and all Acts supplementary thereto, and the
 15 United States Department of Agriculture", approved May 8,
 16 1914 (U. S. C., title 7, secs. 341-343, 344-348), except
 17 that—

18 (1) not more than 2 per centum of the sums so
 19 appropriated and available in each fiscal year shall be
 20 available for paying expenses of the Extension Service
 21 of the United States Department of Agriculture; and

22 (2) the remainder of the sums so appropriated and
 23 available in each fiscal year shall be paid to the several
 24 States and the Territory of Hawaii, without any require-
 25 ment that equal sums be provided from any other

sources, in the same proportions as the sums appropriated for such fiscal year pursuant to section 23 of the Act entitled "An Act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges", approved June 29, 1935, as amended (U. S. C., title 7, sec. 343d-1).

(b) The sums paid pursuant to this section shall be in addition to and not in substitution for sums appropriated under such Act of May 8, 1914, as amended and supplemented, or sums otherwise appropriated for agricultural extension work. Allotments to any State or the Territory of Hawaii for any fiscal year as provided by this section shall be available for payment to such State or the Territory of Hawaii only if such State or the Territory of Hawaii complies, for such fiscal year, with the provisions with reference to offset of appropriations (other than appropriated funds allotted pursuant to this section) for agricultural extension work.

DIVISION OF SOIL CONSERVATION AND IMPROVEMENT

SEC. 103. The Secretary shall establish within the Office of Experiment Stations a division to be known as the "Division of Soil Conservation and Improvement", to exercise the functions assigned to it pursuant to section 101 (b)

1 of this Act. Not more than three per centum of any Fed-
2 eral funds made available for research projects supervised by
3 the Division of Soil Conservation and Improvement shall be
4 available for the expenses of the division.

5 ~~APPROPRIATIONS AVAILABLE FOR FUNCTIONS TRANS-~~
6 ~~FERRED TO EXPERIMENT STATIONS~~

7 SEC. 104. The Secretary is authorized to make avail-
8 able from any funds heretofore or hereafter appropriated,
9 other than as grants-in-aid, for functions which pursuant to
10 section 101 (b) are to be exercised through the agricultural
11 experiment stations in the several States, Alaska, Hawaii,
12 and Puerto Rico such sums as he may deem appropriate for
13 allotment to such agricultural experiment stations. The
14 sums so allotted shall be in addition to and not in substitution
15 for sums otherwise appropriated for the work of such agri-
16 cultural experiment stations.

17 ~~COORDINATION OF RESEARCH AND EDUCATIONAL WORK~~

18 SEC. 105. (a) The Secretary shall establish an agency
19 to be known as the "Economic and Social Science Adminis-
20 tration" and shall transfer to it the Bureau of Agricultural
21 Economics, the Office of Foreign Agricultural Relations, the
22 Office of Administrator, Research and Marketing Act, and
23 all research of the United States Department of Agriculture
24 in economics and related social sciences which the Secretary
25 determines to be basic, rather than merely incidental to the

1 administration of programs not principally involving research.

2 (b) The Agricultural Research Administration shall
3 hereafter be known as the "Natural and Physical Science
4 Administration" and the Secretary shall transfer to it all
5 research of the United States Department of Agriculture in
6 the natural and physical sciences which the Secretary deter-
7 mines to be basic, rather than merely incidental to the admin-
8 istration of programs not principally involving research.

9 (c) The research and educational functions of the United
10 States Department of Agriculture and its relationship with
11 the several States with respect to research and education,
12 including the functions of the Natural and Physical Science
13 Administration, the Economics and Social Sciences Adminis-
14 tration, the office of Experiment Stations, which shall not
15 be a part of the Natural and Physical Sciences Adminis-
16 tration, the Extension Service, and such other agencies of
17 the Department of Agriculture as the Secretary may desig-
18 nate, shall be coordinated by a Coordinator of Research and
19 Education, who shall be appointed by the Secretary for a
20 seven-year term, and shall be removable only by the Presi-
21 dent. In making such appointment the Secretary shall con-
22 sider nominations submitted by the Association of Land-Grant
23 Colleges and Universities, which shall be requested to submit
24 not less than five nominations and such additional number
25 as the Secretary may request.

1 COUNTY, STATE, AND NATIONAL AGRICULTURAL ASSO-
2 CIATIONS, EXECUTIVE COMMITTEES, AND COUNCILS
3 COUNTY AGRICULTURAL ASSOCIATIONS

4 SEC. 106. The farmers within each local administrative
5 area of the continental United States as hereinafter provided
6 for, or participating or cooperating in any soil conservation
7 or improvement program administered within such area,
8 shall elect annually from among their number a member of
9 a county agricultural association for the county in which such
10 area is situated. In any county in which only one such area
11 is situated, five members of the county agricultural asso-
12 ciation shall be elected from such area; in any county in
13 which only two such areas are situated, three members shall
14 be elected from each such area; and in any county in which
15 three or four such areas are situated, two members shall be
16 elected from each such area. Vacancies occurring among
17 the elected members of a county agricultural association
18 between annual elections shall be promptly filled by election
19 by the association from among the farmers of the local
20 administrative areas with respect to which such vacancies
21 respectively occur. No member shall be elected for four
22 full consecutive terms. The agricultural extension agent,
23 and the chairman of the committee appointed by the Secere-
24 tary pursuant to section 42 of the Bankhead-Jones Farm
25 Tenant Act, for each county shall be members, ex officio,

1 of the county agricultural association for such county. If
2 one such committee is appointed for a group of two or
3 more counties the chairman shall be a member, ex officio,
4 only of the county agricultural association for the county
5 in which he resides. Members of boards of supervisors of
6 soil conservation, grass conservation, wind erosion, and
7 irrigation districts shall be ex-officio members of the
8 county agricultural associations for the counties in which
9 they reside; except that ~~(1)~~ if in any county their
10 number exceeds the number of elected members of the
11 county agricultural association of such county, only such
12 of them as they may from time to time agree upon, num-
13 bering at least one less than the number of elected members,
14 shall serve as ex-officio members of such county agricultural
15 association, and ~~(2)~~ if more than one member of any such
16 board of supervisors resides in the same county, only such
17 member as such board may designate may serve as an
18 ex-officio member of the county agricultural association for
19 such county. The county agricultural association, thus
20 constituted, shall perform within the county the functions
21 assigned to it pursuant to section 101 ~~(c)~~ of this Act and
22 such other functions as the Secretary may assign to it. It
23 shall meet at such times as it may specify, or upon call of
24 the chairman of the county agricultural executive committee
25 for such county. The local administrative areas designated

1 by the Secretary and serving on the date of enactment of
2 this Act as units for administration of programs under sec-
3 tion 8 of the Soil Conservation and Domestic Allotment Act
4 shall serve as local administrative areas for the purposes
5 of this section, but each county agricultural association may
6 from time to time designate different local administrative
7 areas within its county for the purposes of this section.

8 COUNTY AGRICULTURAL EXECUTIVE COMMITTEES

9 SEC. 107. Each county agricultural association shall
10 elect annually from among its elected members ~~(1)~~ not less
11 than three and not more than five, as determined by the
12 association, members of a county agricultural executive com-
13 mittee, designating one of such members to be chairman, one
14 to be vice chairman, and one to be secretary, of such com-
15 mittee, and ~~(2)~~ first and second alternates. Vacancies
16 occurring among the elected members of such committee
17 between annual elections shall be filled for the unexpired
18 terms by the first and second alternates in that order, or, if
19 there are no alternates available, by election by the county
20 agricultural association, and at such election first and second
21 alternates again shall be elected. Vacancies in the offices of
22 chairman, vice chairman, and secretary occurring between
23 annual elections shall be filled for the unexpired terms by
24 election by such committee from among its members. No
25 member shall be elected for four full consecutive terms.

1 The agricultural extension agent for each county shall be a
2 member, ex officio, but without vote, of the county agri-
3 cultural executive committee for such county. Subject to
4 the supervision and direction of the county agricultural asso-
5 ciation, the county agricultural executive committee shall,
6 through personnel employed by it, perform within the
7 county the functions assigned to it pursuant to section 101
8 (c) of this Act and such other functions as the secretary
9 may assign to it.

10 STATE AGRICULTURAL COUNCILS

11 SEC. 108. For each State of the United States there
12 shall be a State agricultural council consisting of the ex-
13 officio members hereinafter specified, four elected members,
14 and as many additional elected members as may be specified
15 in accordance with the provisions of this section; but the
16 number of additional members so specified shall not exceed
17 either (1) six, or (2) one for each full twenty counties in
18 the State, plus one if the number of counties in the State
19 is not evenly divisible by twenty and exceeds by more than
20 ten the multiple of twenty which it least exceeds. The
21 Commissioner (or Secretary or Director, as the case may
22 be) of Agriculture, or his designee, the Director of the
23 Agricultural Experiment Stations, or his designee, and the
24 Director of the Agricultural Extension Service, or his des-
25 ignee, for such State shall be the ex-officio members.

1 The number of additional members, if any, to be elected
2 shall be specified by the ex-officio members for the
3 election first after the enactment of this Act and by
4 the State agricultural council for subsequent elections.
5 The members to be elected in any year, and first and
6 second alternates, shall be elected by the chairman of the
7 county agricultural executive committees of the State, meet-
8 ing together for that purpose, but not more than half of
9 those to be elected shall be elected from among the number
10 of such chairman. The members first elected after the enact-
11 ment of this Act shall be elected for three-, two-, and one-
12 year terms in as nearly equal groups as may be possible
13 as follows: Not less than one-third of the number to be
14 elected shall first be elected, to serve for three-year terms;
15 not less than one-half of the number remaining to be elected
16 shall then be elected, to serve for two-year terms; and the
17 number then remaining to be elected shall then be elected
18 to serve for one-year terms. Should the number of mem-
19 bers to be elected at any election after the first election be
20 increased in accordance with the provisions of this section,
21 the additional members so added shall be elected for terms
22 of one, two, or three years in such manner that the number
23 of terms expiring in succeeding years shall, as nearly as
24 may be possible, be equal. Successors of all elected mem-
25 bers shall be elected for three-year terms. Any decrease,

1 after the first election, in the number of members to be
2 elected shall be made by allowing terms to expire without
3 electing successors in such manner that the number of terms
4 expiring annually after the decrease has been completed shall,
5 as nearly as may be possible, be equal. Vacancies occur-
6 ring among the elected members shall be filled for the
7 unexpired terms by the first and second alternates in that
8 order, or, if there be no alternates available, by election by
9 the chairmen of the county agricultural executive commit-
10 tees, conducted by mail or in such manner as may be
11 determined by the State agricultural council, and at such
12 election first and second alternates again shall be elected.
13 No member shall be elected for any term which, with any
14 previous periods of service by him as a member, would ex-
15 ceed five years during any six-year period.

16 The State agricultural council shall develop plans to
17 effectuate the purposes of section 7 of the Soil Conservation
18 and Domestic Allotment Act in its State, and shall perform
19 the functions assigned to it pursuant to section 101 (c) of
20 this Act and such other functions within its State as the
21 Secretary may assign to it. It shall elect from among its
22 number a chairman, vice chairman, and secretary, and shall
23 employ a State administrator and such other personnel as it
24 may deem necessary to carry out its functions. In carrying
25 out the functions assigned to it, and subject to the approval

1 of the Secretary, it may enter into arrangements with (1)
 2 the Agricultural Extension Service in its State for the conduct
 3 of educational and demonstrational programs and (2) State
 4 agricultural councils of other States for cooperation on mat-
 5 ters of mutual interest. Federal grants-in-aid for programs
 6 administered by the State council shall be disbursed by the
 7 appropriate agency of the State only pursuant to direction
 8 by the State agricultural council. Any grants-in-aid or other
 9 funds allocated to a State for programs administered by the
 10 State agricultural council may be withheld or recalled by the
 11 Secretary if he determines that such council is not faith-
 12 fully administering the programs assigned to it.

13 ADMINISTRATIVE EXPENSES

14 SEC. 109. The Secretary is authorized and directed, from
 15 any funds made available for the purposes of the Acts in
 16 connection with which State agricultural councils, county
 17 agricultural associations, or county agricultural executive
 18 committees may be utilized, to make payments to such coun-
 19 cils, associations, or committees to cover the estimated admin-
 20 istrative expenses incurred or to be incurred by them in
 21 carrying out the functions assigned to them under such Acts.
 22 All or part of such administrative expenses of any such
 23 council, association, or committee may be deducted pro rata
 24 from the Soil Conservation Act payments, parity payments,

1 or loans, or other payments or grants-in-aid under such Acts,
2 unless payment of such expenses is otherwise provided by
3 law. The Secretary may make such payments in advance
4 of determination of performance. The administrative ex-
5 penses covered by such payments shall not include compensa-
6 tion for services of council, association, and committee mem-
7 bers except as follows:

8 (a) Each elected member of a State agricultural
9 council shall be entitled to compensation, at such rates
10 as may be fixed by the Secretary, for time actually spent
11 by him in the work of the council not exceeding an
12 average of eight hours per week for his period of service
13 as such member; and

14 (b) Each elected member of a county agricultural
15 executive committee shall be entitled to compensation,
16 at such rate as may be fixed by the appropriate State
17 agricultural council, for time actually spent by him in
18 the work of the committee, not exceeding an average of
19 four hours per week for his period of service as such
20 member.

21 Subject to such limitations as the Secretary may prescribe,
22 such council, association, and committee members shall also
23 be entitled to their reasonable expenses incurred in serving
24 as such members. No such member shall, out of any
25 amounts paid by the Secretary, be paid for performing any

1 services in addition to his services as member for any such
2 council, association, or committee, but a member may resign
3 as member in order to accept employment by a council,
4 association, or committee. The Secretary shall make such
5 regulations as are necessary relating to the selection and
6 exercise of the functions of such councils, associations, and
7 committees, respectively. A county agricultural association
8 may, except as may be disapproved by the Secretary, accept,
9 in addition to the amounts paid to it by the Secretary, funds
10 from other sources to be utilized for agricultural purposes.

11 NATIONAL AGRICULTURAL COUNCIL

12 SEC. 110. (a) There is hereby established a National
13 Agricultural Council consisting of (1) four members repre-
14 senting the interests of producers, processors, distributors,
15 and consumers of agricultural products, not more than two of
16 whom shall be affiliated with the same political party, to
17 be appointed by the President (after receiving the recom-
18 mendations of the Secretary), with the advice and consent
19 of the Senate; (2) four members representing the north-
20 eastern, southern, midwestern, and western regions of the
21 United States, to be elected by the chairmen of the State
22 agricultural councils from among the elected members of
23 the State agricultural councils; and (3) one member ap-
24 pointed by the Association of Land-Grant Colleges and
25 Universities. Appointed members shall be subject to re-

1 moval by the appointing power. No appointed member
2 shall serve for more than four consecutive years. The elected
3 members first elected after the enactment of this Act shall
4 be elected, respectively, as designated by the chairmen of the
5 State agricultural councils, to serve for four, three, two, and
6 one year terms. Their successors shall serve for four year
7 terms. No member shall be elected for a term which, with
8 any previous periods of service by him as a member, would
9 exceed six years during any seven-year period. Any
10 vacancy in such Council shall not affect its powers, but
11 shall be filled in the same manner in which the original
12 appointment or election was made, but, in the case of elec-
13 tion, only for the unexpired term. Such Council shall elect
14 a chairman and a vice chairman from among its members.
15 Members shall receive compensation for their services as
16 members at the rate of \$— per diem when engaged in the
17 performance of duties vested in the National Agricultural
18 Council, but not less than \$—— nor more than \$——
19 per annum, plus reimbursement for transportation expenses
20 incurred by them in the performance of such duties. They
21 shall not be reimbursed for personal expenses other than
22 transportation expenses.

23 (b) The National Agricultural Council shall have power
24 to appoint and fix the compensation of such personnel as it
25 deems advisable, in accordance with the provisions of the

1 civil-service laws and the Classification Act of 1923, as
2 amended: *Provided*, That it may also procure, without
3 regard to the civil-service laws and classification laws, tem-
4 porary and intermittent services to the same extent as is
5 authorized for the departments by section 15 of the Act of
6 August 2, 1946 (Public Law 600, Seventy-ninth Congress;
7 60 Stat. 810), but at rates not to exceed \$— per diem for
8 individuals. It may also establish temporary committees,
9 including representatives of producers, industry, govern-
10 ment, and science, to assist and advise it; and may pay the
11 expenses of such committees and the members thereof in-
12 curred in carrying out their duties.

13 (c) The National Agricultural Council shall—

14 (1) make such studies and investigations of agri-
15 cultural matters and phases of the work of the Depart-
16 ment of Agriculture as it deems appropriate;

17 (2) advise the Secretary and the Congress with
18 respect to such agricultural matters as it may deem
19 appropriate, or the Secretary or any committee of the
20 Congress may request;

21 (3) determine from time to time, in the light of
22 changing conditions of supply and demand, the adequacy,
23 or necessity for adjustment, of the levels of price support
24 provided for by section 302 of the Agricultural Adjust-
25 ment Act of 1938; and

(4) annually, and at such other times as it may deem appropriate, report to the Secretary, the Committee on Agriculture and Forestry of the Senate, and the Committee on Agriculture of the House of Representatives its findings and recommendations concerning such agricultural matters as it deems appropriate to bring to the attention of the Secretary and the Congress.

(d) The National Agricultural Council, or any member thereof, may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and places, and take such testimony, as such Council or such member may deem advisable. Any member of such Council may administer oaths or affirmations to witnesses appearing before such Council or before such member. Such Council is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this section; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to such Council, upon request made by the chairman or vice chairman.

~~(c)~~ There are hereby authorized to be appropriated to carry out the provisions of this section such sums as Congress may from time to time determine to be necessary.

MEMBERSHIP LIMITED TO ONE COUNCIL OR ASSOCIATION

SEC. 111. No person shall be a member of more than one council or association established pursuant to this Act. Election of any chairman of a county agricultural executive committee to be a member of a State agricultural council shall cause the offices he holds as a member of a county agricultural association and a member of a county agricultural executive committee to become vacant. Election of any member of a State agricultural council to be a member of the National Agricultural Council shall cause the office he holds as member of a State agricultural council to become vacant.

FARMERS' HOME ADMINISTRATION

SEC. 112. The Secretary shall, as rapidly as he deems expedient, ~~(1)~~ transfer the functions of the Farmers' Home Administration to be performed within each State to the State agricultural council for such State; ~~(2)~~ make available to such council to assist it in the performance of the functions so transferred such employees of the Department of Agriculture as the Secretary and such council may deem necessary; and ~~(3)~~ allocate to such State such portion of the

1 appropriated funds available for administering the functions
2 of the Farmers' Home Administration as he deems necessary
3 for performance of the functions so transferred. In perform-
4 ing such transferred functions such council shall utilize the
5 county committees, if any, appointed by the Secretary pur-
6 suant to section 42 of the Bankhead-Jones Farm Tenant
7 Act and the county agricultural associations. The Secretary
8 shall consider nominations by such council in appointing
9 members of committees pursuant to such section 42, and upon
10 its recommendation may (A) abolish such committee in any
11 county, or (B) treating a group of two or more counties
12 as a single county for the purposes of such section, appoint
13 one such committee for the group in lieu of appointing a
14 committee for each of such counties. Any funds allocated
15 to any State as provided in this section and not required
16 for the administration of the transferred functions shall, at
17 the end of the fiscal year for which appropriated, be paid
18 to the State agricultural council of such State to be dis-
19 bursed by it for soil conservation and improvement purposes.

20 EXPERIMENTAL PROGRAMS

21 SEC. 113. For the purpose of testing any program,
22 or phase thereof, which the Secretary is authorized but
23 not required to carry out, relating to the production, dis-
24 tribution, or utilization of agricultural commodities or to

1 any other agricultural matter, the Secretary is authorized
2 to select not more than ten counties distributed throughout
3 the area to which such program or phase might be made
4 applicable and make such program or phase applicable to
5 such counties on an experimental basis.

6 TITLE II—AMENDMENTS TO SOIL CONSERVA-
7 TION AND DOMESTIC ALLOTMENT ACT

8 UTILIZATION OF LOCAL ORGANIZATIONS IN STATE PLANS

9 SEC. 201. Section 7 (d) of the Soil Conservation and
10 Domestic Allotment Act is amended by inserting at the
11 end thereof the following:

12 “No such plan submitted by a State of the United States
13 shall be approved by the Secretary unless it has been ap-
14 proved by the State agricultural council created pursuant
15 to section 108 of the Agricultural Act of 1948; and by its
16 terms provides—

17 “(A) that any sum to be allocated by the Secretary
18 to carry out the plan shall be disbursed by the appro-
19 priate agency of the State only pursuant to direction by
20 the State agricultural council; and

21 “(B) that (i) the State agricultural council; and
22 (ii) the county agricultural associations and county
23 agricultural executive committees created pursuant to
24 sections 106 and 107 of the Agricultural Act of 1948,

shall respectively, if authorized by the State, be administering and participating agencies as provided in clauses ~~(1)~~ and ~~(2)~~ of this subsection”.

EXTENSION OF NATIONAL PAYMENT PROGRAMS

SEC. 202. Section 8 ~~(a)~~, as amended, of the Soil Conservation and Domestic Allotment Act is amended ~~(a)~~ by striking out “January 1, 1949” wherever appearing therein and inserting in lieu thereof “January 1, 1953”, and ~~(b)~~ by striking out “December 31, 1948” and inserting in lieu thereof “December 31, 1952”.

UTILIZATION OF LOCAL ORGANIZATIONS IN NATIONAL PROGRAMS

SEC. 203. Section 8 ~~(b)~~ of the Soil Conservation and Domestic Allotment Act is amended to read as follows:

“(b) Subject to the limitations provided in subsection ~~(a)~~ of this section, the Secretary shall have power to carry out the purposes specified in clauses ~~(1)~~, ~~(2)~~, ~~(3)~~, ~~(4)~~, and ~~(5)~~ of section 7 ~~(a)~~ by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by ~~(1)~~ their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion;

1 ~~(2)~~ changes in the use of their land; ~~(3)~~ their equitable
2 share as determined by the Secretary, of the normal national
3 production of any commodity or commodities required for
4 domestic consumption; or ~~(4)~~ their equitable share, as de-
5 termined by the Secretary, of the national production of any
6 commodity or commodities required for domestic consumption
7 and exports adjusted to reflect the extent to which their
8 utilization of cropland on the farm conforms to farming prac-
9 tices which the Secretary determines will best effectuate the
10 purposes specified in section 7 ~~(a)~~; or ~~(5)~~ any combination
11 of the above. In arid or semiarid sections, ~~(1)~~ and ~~(2)~~
12 above shall be construed to cover water conservation and
13 the beneficial use of water on individual farms, including
14 measures to prevent run-off, the building of check dams and
15 ponds, and providing facilities for applying water to the land.
16 In determining the amount of any payment or grant meas-
17 ured by ~~(1)~~ or ~~(2)~~ the Secretary shall take into considera-
18 tion the productivity of the land affected by the farming
19 practices adopted during the year with respect to which
20 such payment is made. In carrying out the provisions of this
21 section in the continental United States, the Secretary is
22 directed to utilize the State agricultural councils and county
23 agricultural associations and executive committees created
24 pursuant to the Agricultural Act of 1948. In carrying out
25 the provisions of this section, the Secretary shall, as far as

1 practicable, protect the interests of tenants and sharecroppers;
2 is authorized to utilize the agricultural extension service and
3 other approved agencies; shall accord such recognition and
4 encouragement to producer-owned and producer-controlled
5 cooperative associations as will be in harmony with the
6 policy toward cooperative associations set forth in existing
7 Acts of Congress and as will tend to promote efficient
8 methods of marketing and distribution; shall not have power
9 to acquire any land or any right or interest therein; shall, in
10 every practicable manner, protect the interests of small pro-
11 ducers; and shall in every practical way encourage and pro-
12 vide for soil-conserving and soil-rebuilding practices rather
13 than the growing of soil-depleting crops. Rules and regula-
14 tions governing payments or grants under this subsection
15 shall be as simple and direct as possible, and, wherever
16 practicable, they shall be classified on two bases: (a) Soil-
17 depleting crops and practices, (b) soil-building crops and
18 practices. Notwithstanding any other provision of law in
19 making available conservation materials consisting of seeds,
20 seed inoculants, fertilizers, liming and other soil-conditioning
21 materials, trees, or plants, or in making available soil-con-
22 serving or soil-building services, to agricultural producers
23 under this subsection, the Secretary may make payments,
24 in advance of determination of performance by the producers,
25 to persons who fill purchase orders covering approved con-

1 servation materials or covering soil-conserving or soil-building
2 services, furnished to producers at not to exceed a fair price
3 fixed in accordance with regulations to be prescribed by the
4 Secretary, or who render services to the Secretary in deliver-
5 ing to producers approved conservation materials, for the
6 carrying out, by the producers, of soil-building or soil-con-
7 serving practices approved by the Secretary.

8 “Appropriations are hereby authorized for the purchase
9 in advance of the program year for which the appropria-
10 tion is made of seeds, fertilizers, lime, trees, or any other
11 farming materials or any soil-terracing services, and making
12 grants thereof to agricultural producers to aid them in carry-
13 ing out farming practices approved by the Secretary in pro-
14 grams under this Act, as amended; for the reimbursement
15 of any Federal, State, or local government agency for fer-
16 tilizers, seeds, lime, trees, or other farming materials, or
17 any soil-terracing services, furnished by such agency; and
18 for the payment of all expenses necessary in making such
19 grants, including all or part of the costs incident to the de-
20 livery thereof.”

21 SEC. 204. The Soil Conservation and Domestic Allot-
22 ment Act is amended—

23 (a) By striking out the first word of section 8 (c)
24 and inserting in lieu thereof “Subject to the provisions of
25 section 18 of this Act, payments”;

1 ~~(b)~~ By striking out the proviso contained in section 8
2 ~~(c)~~; and

3 ~~(c)~~ By adding at the end thereof the following new
4 section:

5 “SEC. 18. Payments or grants of aid to farmers in any
6 State, under a State plan or by the Secretary, for soil build-
7 ing or soil-conserving practices shall be—

8 ~~“(a)~~ made only for such practices as may be
9 approved by the State agricultural council and the
10 Secretary;

11 ~~“(b)~~ made, except with respect to farms desig-
12 nated as demonstration or experimental farms, only
13 for practices which the State agricultural council and
14 the Secretary determine have long-term conservation
15 and improvement value; and

16 ~~“(c)~~ divided among the landlords, tenants, and
17 sharecroppers of any farm, with respect to which such
18 payments are made, on the basis of relative value of
19 their contributions to, and benefits received from, such
20 practices in such manner as may be provided by the
21 State agricultural council with the approval of the
22 Secretary.

23 “Beginning with the calendar year 1949, the total pay-
24 ments for any year to any person, under all State plans
25 and otherwise under this Act, not including payments made

1 with respect to demonstration or experimental farms, shall
2 not exceed \$——; but programs under this Act may provide
3 that, at the election of the owner of any farm, soil conserva-
4 tion or improvement practices taken with respect to such
5 farm in any year which have long-term effect may form
6 the basis for payments in such year and not to exceed the
7 succeeding four years with respect to such farm.”

8 SEC. 205. Section 11 of the Soil Conservation and
9 Domestic Allotment Act is amended to read as follows:

10 “SEC. 11. All funds available for carrying out this Act
11 shall be available for allotment to the bureaus and offices
12 of the Department of Agriculture and for transfer to such
13 other agencies of the Federal or State Governments as the
14 Secretary may request to cooperate or assist in carrying
15 out this Act, and for payments to State agricultural councils
16 or county agricultural associations or executive committees
17 to cover the estimated administrative expenses to be in-
18 curred by any such council, association, or committee in
19 cooperating in carrying out this Act: *Provided*, That the
20 Secretary may prescribe that all or part of such estimated
21 expenses of any such council, association, or committee may
22 be deducted pro rata from the payments or grants made to
23 the members thereof: *And provided further*, That the Sec-
24 retary may make such payments in advance of determination
25 of performance.”

TITLE III—AMENDMENTS TO THE AGRICUL-
TURAL ADJUSTMENT ACT OF 1938

DEFINITIONS OF "PARITY PRICE", "CARRY OVER",
"NORMAL SUPPLY", AND "TOTAL SUPPLY"

SEC. 301. Section 301 of the Agricultural Adjustment
Act of 1938 is amended—

(a) By striking out paragraphs (1) and (2) of sub-
section (a) and inserting in lieu thereof the following:

"(1) (A) The 'parity price' for any agricultural com-
modity, as of any date, shall be—

(i) that price for the commodity which will give
to the commodity a purchasing power with respect to
articles that farmers buy equivalent to the purchasing
power of such commodity in the base period; and in the
case of all commodities for which the base period is the
period August 1909 to July 1914, which will also
reflect current interest payments per acre on farm in-
debtedness secured by real estate, tax payments per
acre on farm real estate, and freight rates, as contrasted
with such interest payments, tax payments, and freight
rates during the base period; or

(ii) the alternative parity price for the commodity
determined as provided in subparagraph (B) of this
paragraph;

1 whichever is higher. For the purpose of clause ~~(i)~~ of the
 2 preceding sentence the base period shall be the period
 3 August 1909 to July 1914 in the case of all agricultural
 4 commodities except tobacco; the period August 1919 to
 5 July 1929 in the case of all kinds of tobacco except Burley
 6 and flue-cured; and the period August 1934 to July 1939
 7 in the case of Burley and flue-cured tobacco.

8 “~~(B)~~ The ‘alternative parity price’ for any agricultural
 9 commodity, as of any date, shall be determined by multiply-
 10 ing the adjusted base price of such commodity as of such date
 11 by the parity index as of such date.

12 “~~(C)~~ The ‘adjusted base price’ of any agricultural com-
 13 modity, as of any date, shall be ~~(i)~~ the average of the
 14 prevailing prices received by farmers for such commodity,
 15 at such times as the Secretary may select, during the ten-
 16 year period ending on the 31st of December last before such
 17 date, or during the marketing seasons ending in such period
 18 if the Secretary determines use of a calendar year basis to
 19 be impracticable, divided by ~~(ii)~~ the ratio of the general
 20 level of prices received by farmers for agricultural com-
 21 modities during such period to the general level of prices
 22 received by farmers for agricultural commodities during the
 23 period January 1910 to December 1914, inclusive.

24 “~~(D)~~ The ‘parity index’, as of any date, shall be the

1 ratio of ~~(i)~~ the general level of prices for articles and services
 2 that farmers buy, interest on farm indebtedness secured by
 3 farm real estate, and taxes on farm real estate, for the
 4 calendar month ending last before such date to ~~(ii)~~ the
 5 general level of such prices, rates, and taxes during
 6 the period January 1910 to December 1914, inclusive.

7 “~~(E)~~ The prices and indices provided for herein, and
 8 the data used in computing them, shall be determined by
 9 the Secretary, whose determination shall be final.

10 “~~(2)~~ ‘Parity’, as applied to income, shall be that gross
 11 income from agriculture which will cover the necessary costs
 12 of production including the cost of maintaining the farm
 13 plant and equipment, and will provide the farm operator and
 14 his family with opportunities for living equivalent to those
 15 afforded persons dependent upon other gainful occupation.
 16 ‘Parity’ as applied to income from any agricultural com-
 17 modity for any year, shall be that gross income which bears
 18 the same relationship to parity income from agriculture for
 19 such year as the average gross income from such commodity
 20 for the preceding ten calendar years bears to the average
 21 gross income from agriculture for such ten calendar years.”

22 ~~(b)~~ By amending paragraph ~~(3)~~ ~~(A)~~ of subsection
 23 ~~(b)~~ to read as follows:

24 “~~(A)~~ ‘Carry-over’, in the case of corn, rice, peanuts,
 25 oats, barley, and rye, for any marketing year shall be the

1 quantity of the commodity on hand in the United States at
2 the beginning of such marketing year, not including any
3 quantity which was produced in the United States during the
4 calendar year then current.”

5 (c) By amending paragraph ~~(3)~~ ~~(B)~~ of subsection
6 ~~(b)~~ to read as follows:

7 “~~(B)~~ ‘Carry-over’ of cotton for any marketing year
8 shall be the quantity of cotton on hand either within or
9 without the United States at the beginning of such market-
10 ing year, which was produced in the United States prior to
11 the beginning of the calendar year then current, plus the
12 quantity on hand within the United States at the beginning
13 of such marketing year which was produced outside the
14 United States.”

15 ~~(d)~~ By striking out of paragraph ~~(3)~~ ~~(C)~~ of sub-
16 section ~~(b)~~ “which was produced in the United States prior
17 to the beginning of” and inserting in lieu thereof “not
18 including any tobacco which was produced in the United
19 States during”.

20 (e) By inserting after paragraph 3 ~~(D)~~ the following
21 new paragraph:

22 “~~(E)~~ ‘Carry-over’, in the case of wool for any market-
23 ing year shall be the quantity of wool on hand in the United
24 States at the beginning of such marketing year, which was

1 produced in the United States prior to the beginning of such
2 marketing year."

3 ~~(f)~~ By striking out the period at the end of paragraph
4 ~~(7)~~ and inserting in lieu thereof a semicolon and the follow-
5 ing additional line: "wool, January 1, December 31."

6 ~~(g)~~ By striking out paragraph ~~(10)~~ of subsection ~~(b)~~
7 and inserting in lieu thereof the following:

8 "~~(10)~~ 'Normal supply' in the case of any commodity
9 for any marketing year shall be the adjusted average total
10 supply of such commodity for the ten marketing years imme-
11 diately preceding such marketing year, computed by ~~(A)~~
12 determining the actual average total supply for such period;
13 ~~(B)~~ increasing such actual average by 10 per centum of
14 the amount by which the total supply for each marketing
15 year used in computing such actual average was less than
16 80 per centum of such actual average; and ~~(C)~~ decreasing
17 such actual average by 10 per centum of the amount by which
18 the total supply for each marketing year used in computing
19 such actual average exceeded 120 per centum of such actual
20 average."

21 ~~(h)~~ By amending paragraph ~~(16)~~ of subsection ~~(b)~~
22 to read as follows:

23 "~~(A)~~ 'Total supply' of cotton, wheat, corn, rice, pea-
24 nuts, and wool for any marketing year shall be the carry-
25 over of the commodity for such marketing year, plus the

1 quantity produced in the United States during the calendar
2 year in which such marketing year begins and, except in the
3 case of wool, the quantity imported into the United States
4 during such marketing year.

5 “(B) ‘Total supply’ of tobacco for any marketing year
6 shall be the carry-over at the beginning of such marketing
7 year plus the quantity produced in the United States during
8 the calendar year in which such marketing year begins and
9 the quantity imported into the United States during such
10 marketing year, except that the production of type-46 tobacco
11 during the marketing year with respect to which the deter-
12 mination is being made shall be used in lieu of the production
13 of such type during the calendar year in which such market-
14 ing year begins in determining the total supply of cigar filler
15 and cigar binder tobacco.”

16 PRICE SUPPORT

17 SEC. 302. (a) Section 302 of the Agricultural Adjust-
18 ment Act of 1938, as amended, is amended to read as
19 follows:

20 “SEC. 302. (a) The Commodity Credit Corporation is
21 directed, through loans, purchases, or other operations, to
22 support prices received by producers for cotton, wheat, corn,
23 tobacco, rice, peanuts, and wool harvested after December
24 31, 1948, at levels determined in accordance with the pro-
25 visions of this section, but the price of peanuts shall be re-

1 quired to be supported only during marketing years in which
 2 marketing quotas are in effect, and only on the marketing
 3 quota for each farm. Just prior to the beginning of each
 4 marketing year for each such commodity, the Secretary shall,
 5 with respect to such marketing year and such commodity—

6 “(1) estimate the total supply;

7 “(2) determine the normal supply; and

8 “(3) determine the percentage which the estimated
 9 total supply is of the normal supply (such percentage be-
 10 ing referred to herein as the ‘supply percentage’).

11 The level at which the price of such commodity for such
 12 marketing year shall be supported shall then be determined,
 13 on the basis of its parity price as of the beginning of such
 14 marketing year, from the following table:

“If the supply percentage is:	The level of support shall be the following percentage of the parity price:
Not more than 70	90
More than 70 but not more than 82	85
More than 82 but not more than 94	80
More than 94 but not more than 106	75
More than 106 but not more than 118	70
More than 118 but not more than 130	65
More than 130	60

15 If the National Agricultural Council established by section
 16 410 of the Agricultural Act of 1948 shall, pursuant to the
 17 affirmative vote of a majority of all its members, find that,
 18 in view of changes in conditions of supply and demand, the
 19 interests of agriculture and the general public require that

1 the level of support for the price of a specified commodity
2 for a specified period be a specified percentage (not more
3 than 90 nor less than 60) of the parity price, different than
4 that determined for such commodity from the foregoing
5 table, and the Secretary shall approve such finding, the level
6 of support for such commodity for such period shall be the
7 percentage of the parity price so found to be required.

8 “(b) Adjustments shall be made in the price support
9 for any commodity for differences in grade, type, staple,
10 quality, and other factors, to reflect historical differences in
11 prices based on such factors. Such adjustments shall be
12 made in such manner that the average price support for
13 such commodity in each marketing year will, on the basis
14 of the historical incidence of such factors, be equal to the
15 level prescribed by subsection (a) of this section for such
16 marketing year.

17 “(c) (1) The Commodity Credit Corporation shall not
18 sell any farm commodity owned or controlled by it at less
19 than a price midway between the parity price and the level
20 of support for the price of such commodity for the marketing
21 year in which such sale is to be made, or at less than 90
22 per centum of the parity price therefor if the price therefor
23 is not supported in such marketing year, except that the
24 foregoing restrictions shall not apply to (A) sales for new
25 or byproduct uses; (B) sales of peanuts for the extraction

1 of oil; ~~(C)~~ sales for seed or feed: *Provided*, That no wheat
2 or corn shall be sold for feed at less than a price midway
3 between the parity price and the level of support for the
4 price of corn at the time such sale is made: *And provided*
5 *further*, That in making regional adjustments in the sale
6 price of corn or wheat for feed, the minimum price need
7 not be higher in any area than a price midway between the
8 parity price and the United States average level of support
9 for the price of corn; ~~(D)~~ sales of commodities which have
10 substantially deteriorated in quality or of nonbasic perish-
11 able commodities where there is danger of loss or waste
12 through spoilage; ~~(E)~~ sales for the purpose of establishing
13 claims against persons who have committed fraud, misrep-
14 resentation, or other wrongful acts with respect to the
15 commodity; ~~(F)~~ sales for export of any commodity other
16 than wheat, cotton, corn, oats, barley, or rye; and ~~(G)~~
17 sales, for export only and at competitive world prices, of
18 any of the commodities listed in the following table to
19 the extent the Secretary deems advisable for the purpose
20 of reducing, to the quantity set out in the following table
21 for such commodity, the carry-over (as estimated by the
22 Secretary and including for this purpose only stocks within
23 the United States) of such commodity as of the beginning

- 1 of the marketing year for such commodity next succeeding
 2 the date of sale:

Commodity:	Quantity
Wheat-----	500,000,000 bushels.
Cotton-----	5,000,000 bales.
Corn-----	500,000,000 bushels.
Corn, oats, barley, rye, and wheat consid- ered together.	1,000,000,000 bushels.

- 3 “For the purposes of this subsection the carry-over of
 4 corn, oats, barley, rye, and wheat, considered together, shall
 5 be determined by adding together the carry-overs estimated
 6 by the Secretary as above provided for each of such com-
 7 modities.”

- 8 ~~(b)~~ Section 381 ~~(c)~~ of the Agricultural Adjustment
 9 Act of 1938 is repealed.

- 10 ~~(c)~~ Section 21 ~~(c)~~ of the Surplus Property Act of 1944
 11 is amended by inserting after “any farm commodity” the
 12 following: “(except wheat, cotton, corn, oats, barley, or
 13 rye)”.

- 14 SEC. 303. The Agricultural Adjustment Act of 1938
 15 is amended—

- 16 ~~(a)~~ By inserting in section 328 after the words “out-
 17 side the commercial corn-producing areas” the following:
 18 “or imported”;

- 19 ~~(b)~~ By inserting in section 333 after “for such crop”
 20 the following: “and imports”;

- 21 ~~(c)~~ By inserting in section 343 ~~(a)~~ after “August 1

1 of such succeeding calendar year" the following: "and
2 imports";

3 ~~(d)~~ By striking out section 359 ~~(d)~~;

4 ~~(e)~~ By striking out of section 364 "committee utilized
5 for the purposes of the Soil Conservation and Domestic Allot-
6 ment Act, as amended", and inserting in lieu thereof "county
7 agricultural executive committee provided for by the Agri-
8 cultural Act of 1948".

9 UTILIZATION OF LOCAL ORGANIZATIONS IN CARRYING OUT

10 THE AGRICULTURAL ADJUSTMENT ACT OF 1938

11 SEC. 304. Section 388 of the Agricultural Adjustment
12 Act of 1938 is amended to read as follows:

13 "SEC. 388. In carrying out the provisions of this Act
14 the Secretary is directed to utilize the State agricultural
15 councils and county agricultural associations and executive
16 committees created pursuant to the Agricultural Act of 1948;
17 and the local administrative areas and local and county
18 committees referred to in this Act shall be the local adminis-
19 trative areas and the county agricultural associations (acting
20 through the county agricultural executive committees) pro-
21 vided for by the Agricultural Act of 1948."

22 TITLE IV—MISCELLANEOUS

23 SECTION 32 FUNDS

24 SEC. 401. Section 32, as amended, of the Act entitled
25 "An Act to amend the Agricultural Adjustment Act, and

1 for other purposes", approved August 24, 1935 (U. S. C.,
 2 title 7, sec. 612e); is amended by adding at the end thereof
 3 the following: "The sums appropriated under this section
 4 shall, notwithstanding the provisions of any other law, con-
 5 tinue to remain available for the purposes of this section
 6 until expended; but any excess of the amount remaining
 7 unexpended at the end of any fiscal year over \$300,000,000
 8 shall, in the same manner as though it had been appropriated
 9 for the service of such fiscal year, be subject to the provisions
 10 of section 3690 of the Revised Statutes (U. S. C., title 31,
 11 sec. 712), and section 5 of the Act entitled 'An Act making
 12 appropriations for the legislative, executive, and judicial ex-
 13 penses of the Government for the year ending June
 14 thirtieth, eighteen hundred and seventy-five, and for other
 15 purposes'." (U. S. C., title 31, sec. 713).

16 "PARITY"—OTHER STATUTES

17 SEC. 402. (a) Section 2 (1) of the Agricultural Ad-
 18 justment Act, reenacted by the Agricultural Marketing
 19 Agreement Act of 1937, is amended to read as follows:

20 "(1) Through the exercise of the powers conferred upon
 21 the Secretary of Agriculture under this title, to establish and
 22 maintain such orderly marketing conditions for agricultural
 23 commodities in interstate commerce as will establish, as
 24 the prices to farmers, parity prices as defined by section

1 301 (a) (1) of the Agricultural Adjustment Act of
2 1938."

3 (b) Section 8c (18) of the Agricultural Adjustment
4 Act, reenacted by the Agricultural Marketing Agreement
5 Act of 1937, is amended to read as follows:

6 "(18) The Secretary of Agriculture, prior to prescrib-
7 ing any term in any marketing agreement or order, or
8 amendment thereto, relating to milk or its products, if such
9 term is to fix minimum prices to be paid to producers or
10 associations of producers, or prior to modifying the price
11 fixed in any such term, shall ascertain the parity prices of
12 such commodities. The prices which it is declared to be the
13 policy of Congress to establish in section 2 of this title shall,
14 for the purposes of such agreement, order, or amendment,
15 be adjusted to reflect the price of feeds, the available sup-
16 plies of feeds, and other economic conditions which affect
17 market supply and demand for milk or its products in the
18 marketing area to which the contemplated marketing agree-
19 ment, order, or amendment relates. Whenever the Secretary
20 finds, upon the basis of the evidence adduced at the hearing
21 required by section 8b of this title or this section, as the
22 case may be, that the parity prices of such commodities are
23 not reasonable in view of the price of feeds, the available
24 supplies of feeds, and other economic conditions which affect
25 market supply and demand for milk and its products in the

1 marketing area to which the contemplated agreement, order,
 2 or amendment relates, he shall fix such prices as he finds
 3 will reflect such factors, insure a sufficient quantity of pure
 4 and wholesome milk, and be in the public interest. There-
 5 after, as the Secretary finds necessary on account of changed
 6 circumstances, he shall, after due notice and opportunity for
 7 hearing, make adjustments in such prices."

8 ~~(c)~~ Section 8e ~~(17)~~ of the Agricultural Adjustment
 9 Act, reenacted by the Agricultural Marketing Agreement
 10 Act of 1937, is amended by striking out "and section 8e".

11 ~~(d)~~ Section 8e of the Agricultural Adjustment Act,
 12 reenacted by the Agricultural Marketing Agreement Act
 13 of 1937, is repealed.

14 ~~(e)~~ All references in other laws to—

15 ~~(1)~~ parity,

16 ~~(2)~~ parity prices,

17 ~~(3)~~ prices comparable to parity prices, or

18 ~~(4)~~ prices to be determined in the same manner
 19 as provided by the Agricultural Adjustment Act of 1938
 20 prior to its amendment by this Act for the determination
 21 of parity prices,

22 with respect to prices for agricultural commodities and
 23 products thereof, shall hereafter be deemed to refer to parity
 24 prices as determined in accordance with the provisions of

1 section 301 (a) (1) of the Agricultural Adjustment Act
2 of 1938, as amended by this Act.

3 REPEAL OF SPECIAL PROVISIONS FOR PRICE SUPPORT OF
4 TOBACCO

5 SEC. 403. Section 2 of the joint resolution entitled
6 "Joint resolution relating to the marketing of fire-cured
7 and dark air-cured tobacco under the Agricultural Adjust-
8 ment Act of 1938, as amended", approved July 28, 1945
9 (59 Stat. 506), is repealed.

10 EFFECTIVE DATE

11 SEC. 404. This Act shall take effect on January 1, 1949.
12 That this Act may be cited as the "Agricultural Act of
13 1948".

14 DECLARATION OF POLICY

15 SEC. 2. It is hereby recognized that a sound national
16 economy requires that each segment of the population be
17 maintained as an efficient producer and a constant consumer
18 of goods and services, and it is hereby declared to be the
19 policy of Congress to provide for a coordinated program, to
20 be administered by the Secretary of Agriculture in coopera-
21 tion with agencies in the several States, and designed—

22 (1) to restore, develop, conserve, and wisely use our
23 basic resources of soil, water, forests, and wildlife habitat
24 in order to assure an abundant production of all agri-

1 *cultural products necessary for the general well being of*
2 *all our people;*

3 *(2) to develop a means of supporting agricultural*
4 *income on a flexible basis relative to prices and produc-*
5 *tion so as to foster desirable shifts in agricultural produc-*
6 *tion and aid in stabilizing the national economy;*

7 *(3) to improve methods of marketing, facilitate*
8 *distribution, and increase utilization of agricultural com-*
9 *modities in both domestic and foreign markets;*

10 *(4) to regulate interstate and foreign commerce in*
11 *cotton, wheat, corn, tobacco, rice, and peanuts to the*
12 *extent necessary to provide an orderly, adequate, and*
13 *balanced flow of such commodities in interstate and*
14 *foreign trade through price support, marketing quotas,*
15 *diversion to various economic uses, and other means;*

16 *(5) to assist consumers in obtaining adequate and*
17 *steady supplies of high-quality farm products at fair and*
18 *equitable prices;*

19 *(6) to assist low-income families and school chil-*
20 *dren in maintaining an adequate diet, particularly in*
21 *periods of underconsumption and unemployment;*

22 *(7) to obtain full cooperation and coordinated action*
23 *of land operators living on the farms in restoring,*
24 *developing, conserving, and wisely using our basic*
25 *resources of soil, water, forests, and wildlife habitat;*

(8) to provide more adequately for the coordination and expansion of Federal and State soil surveys and other investigations, experimentation, and research pertaining to the conservation, restoration, and development of our natural agricultural resources, and for the publication of the results of such studies;

(9) to assure that incentive payments to farmers in each State for soil-conservation practices shall be made only for practices approved by the Secretary of the United States Department of Agriculture after consultation with the State agricultural council (hereinafter provided for);

(10) to provide for the fullest development and the most efficient employment of rural human resources;

(11) to provide more fully for adult education through cooperative agricultural extension work as the recognized educational and demonstrational medium for reaching farm people and others in regard to agricultural information, policies, and programs;

(12) to provide for the full development of personal initiative and local responsibility in the development and administration of programs for the maintenance of a progressive agriculture;

(13) to provide for the adaptation of agricultural

1 *programs to the different and changing needs of regional*
2 *and local communities;*

3 *(14) to encourage producers, processors, dis-*
4 *tributors, and consumers to enter into marketing agree-*
5 *ments for the supplying of adequate quantities of selected*
6 *farm products at a reasonable and assured price; and*

7 *(15) to continue the use of certain revenues for*
8 *judicious support of prices of highly perishable products,*
9 *including fresh fruits, vegetables, milk, and eggs, in*
10 *facilitating distribution of such products for diet im-*
11 *provement of low-income families and school children, in*
12 *stimulating improved nutrition, and in encouraging the*
13 *exportation of such products.*

14 *TITLE I—REORGANIZATION*

15 *DECENTRALIZATION OF FUNCTIONS*

16 *SEC. 101. The Secretary of Agriculture (hereinafter*
17 *called the “Secretary”) shall establish an agency, to be*
18 *known as the “Bureau of Agricultural Conservation and Im-*
19 *provement”, to exercise all functions of the Secretary and of*
20 *the various bureaus and agencies within the Department of*
21 *Agriculture which (1), prior to the enactment of this Act,*
22 *were assigned to the Soil Conservation Service or to the*
23 *Agricultural Conservation Programs Branch of the Produc-*
24 *tion and Marketing Administration, or (2) the Secretary*

1 *deems to be principally related to soil conservation and*
2 *improvement or to those aspects of programs of the Depart-*
3 *ment of Agriculture which require direct dealings by the*
4 *Department with farmers; except that, subject to the super-*
5 *vision and direction of the Secretary—*

6 *(a) the educational, informational, and demon-*
7 *strational features of such functions shall be exercised,*
8 *in the several States, Alaska, Hawaii, and Puerto Rico,*
9 *through the Extension Service of the United States*
10 *Department of Agriculture in cooperation with the agen-*
11 *cies performing cooperative agricultural extension work;*

12 *(b) the research and investigational features of such*
13 *functions shall be exercised in the several States, Alaska,*
14 *Hawaii, and Puerto Rico through the agricultural ex-*
15 *periment stations in cooperation with the Division of Soil*
16 *Conservation and Improvement, hereinafter provided*
17 *for, in the Office of Experiment Stations; and*

18 *(c) such functions, except as provided by clauses*
19 *(a) and (b) of this section, shall within the continental*
20 *United States be performed at State and county levels,*
21 *insofar as the Secretary may deem practicable, by the*
22 *State agricultural councils, the county and community*
23 *agricultural program committees, and the county agri-*
24 *cultural program executive committees, all hereinafter*
25 *provided for.*

1 *The furnishing of technical assistance, and machinery and*
2 *equipment to soil conservation districts and others, as hereto-*
3 *fore performed by the Soil Conservation Service shall, not-*
4 *withstanding the provisions of (a), (b), and (c) be per-*
5 *formed directly by the Bureau of Agricultural Conservation*
6 *and Improvement, but if the State agricultural council for*
7 *any State advises the Secretary that any employee carrying*
8 *out such functions in its State is not properly performing his*
9 *duties, and the Secretary finds such to be the fact, such*
10 *employee shall be recalled. The functions assigned pursuant*
11 *to this section to the State agricultural councils and the*
12 *agencies performing cooperative agricultural extension work*
13 *shall be closely coordinated by the Secretary and by such*
14 *councils and agencies. The Secretary shall abolish the*
15 *regional offices of the Soil Conservation Service, and no*
16 *regional offices shall be established to perform functions form-*
17 *erly exercised by them; except that, upon the request of the*
18 *State agricultural councils for any two or more States, the*
19 *Secretary may establish a regional office to perform for such*
20 *States the functions for which such office is requested. In*
21 *the event a regional office is established pursuant to such a*
22 *request the expenses of such office shall be paid in such*
23 *amounts and proportion as such State agricultural councils*
24 *may agree from funds which would otherwise be available for*
25 *soil-conservation purposes in such States.*

1 APPROPRIATIONS AVAILABLE FOR FUNCTIONS TO BE
2 PERFORMED AS COOPERATIVE EXTENSION WORK

3 SEC. 102. (a) (A) Any sums heretofore or hereafter
4 appropriated, other than as grants-in-aid, and available for
5 functions which the Secretary determines to be functions
6 required by section 101 (a) of this Act to be exercised
7 through the Extension Service and cooperating agencies in
8 the several States and the Territory of Hawaii, to the ex-
9 tent that such funds are available at the time the Secretary
10 makes such determination, and (B) any sums appropriated
11 specifically for functions covered by section 101 (a), shall
12 be paid to the several States and the Territory of Hawaii in
13 the same manner and subject to the same conditions and
14 limitations as the additional sums appropriated under the Act
15 entitled "An Act to provide for cooperative agricultural ex-
16 tension work between the agricultural colleges in the several
17 States receiving the benefits of the Act of Congress approved
18 July 2, 1862, and all Acts supplementary thereto, and the
19 United States Department of Agriculture", approved May 8,
20 1914 (U. S. C., title 7, secs. 341-343, 344-348), except
21 that—

22 (1) not more than 2 per centum of the sums so
23 appropriated and available in each fiscal year shall be

1 available for paying expenses of the Extension Service
2 of the United States Department of Agriculture; and

3 (2) the remainder of the sums so appropriated and
4 available in each fiscal year shall be paid to the several
5 States and the Territory of Hawaii, without any require-
6 ment that equal sums be provided from any other
7 sources, in the same proportions as the sums appropriated
8 for such fiscal year pursuant to section 23 of the Act
9 entitled "An Act to provide for research into basic laws
10 and principles relating to agriculture and to provide for
11 the further development of cooperative agricultural ex-
12 tension work and the more complete endowment and
13 support of land-grant colleges", approved June 29,
14 1935, as amended (U. S. C., title 7, sec. 343d-1).

15 (b) The sums paid pursuant to this section shall be in
16 addition to and not in substitution for sums appropriated
17 under such Act of May 8, 1914, as amended and supple-
18 mented, or sums otherwise appropriated for agricultural ex-
19 tension work. Allotments to any State or the Territory of
20 Hawaii for any fiscal year as provided by this section shall
21 be available for payment to such State or the Territory of
22 Hawaii only if such State or the Territory of Hawaii com-
23 plies, for such fiscal year, with the provisions with reference to

1 offset of appropriations (other than appropriated funds
2 allotted pursuant to this section) for agricultural extension
3 work.

4 *DIVISION OF SOIL CONSERVATION AND IMPROVEMENT*

5 *SEC. 103. The Secretary shall establish within the Office*
6 *of Experiment Stations a division to be known as the*
7 *“Division of Soil Conservation and Improvement”, to exer-*
8 *cise the functions assigned to it pursuant to section 101 (b)*
9 *of this Act. Not more than 5 per centum of any Federal*
10 *funds made available for research projects supervised by the*
11 *Division of Soil Conservation and Improvement shall be*
12 *available for the expenses of the division.*

13 *APPROPRIATIONS AVAILABLE FOR FUNCTIONS TRANS-* 14 *FERRED TO EXPERIMENT STATIONS*

15 *SEC. 104. The Secretary is authorized to make avail-*
16 *able from any funds heretofore or hereafter appropriated,*
17 *other than as grants-in-aid, for functions which pursuant to*
18 *section 101 (b) are to be exercised through the agricultural*
19 *experiment stations in the several States, Alaska, Hawaii,*
20 *and Puerto Rico such sums as he may deem appropriate for*
21 *allotment to such agricultural experiment stations. The*
22 *sums so allotted shall be in addition to and not in substitution*
23 *for sums otherwise appropriated for the work of such agri-*
24 *cultural experiment stations.*

1 COMMUNITY, COUNTY, AND STATE AGRICULTURAL

2 COMMITTEES AND COUNCILS

3 COMMUNITY AGRICULTURAL PROGRAM COMMITTEES

4 SEC. 105. *The farm operators within each local admin-*
5 *istrative area of the continental United States hereinafter*
6 *provided for shall elect annually from among their number*
7 *(1) three members of a community agricultural program*
8 *committee, designating one of such members to be chairman,*
9 *and (2) first and second alternates. In any county in which*
10 *only one such area is situated five members and two alternates*
11 *shall be elected for the community agricultural program*
12 *committee for such area. Vacancies occurring in the mem-*
13 *bership of the committee between annual elections shall be*
14 *filled for the unexpired terms by the first and second*
15 *alternates in that order, or if there are no alternates available,*
16 *by an election by the farm operators. Vacancies occurring*
17 *in the chairmanship of the committee between annual elec-*
18 *tions shall be filled for the unexpired term by election by the*
19 *committee from among its members. No member shall be*
20 *elected for four full consecutive terms. The committee shall*
21 *perform within its area the function assigned to it pursuant*
22 *to section 101 (c) of this Act and such other functions as the*
23 *Secretary may assign to it. The local administrative areas*
24 *designated by the Secretary and serving on the date of enact-*

1 *ment of this Act as units for administration of programs*
 2 *under section 8 of the Soil Conservation and Domestic Allot-*
 3 *ment Act shall serve as local administrative areas for the*
 4 *purposes of this section, but each county agricultural program*
 5 *committee may from time to time designate different local*
 6 *administrative areas within its county for the purposes of*
 7 *this section.*

8 *COUNTY AGRICULTURAL PROGRAM COMMITTEES*

9 *SEC. 106. In each county there shall be a county agri-*
 10 *cultural program committee consisting of—*

11 *(1) the members of the community agricultural*
 12 *program committees in the county;*

13 *(2) the agricultural extension agent for the county;*
 14 *and*

15 *(3) one representative designated by each of such*
 16 *agencies concerned with soil conservation, grass conser-*
 17 *vation, drainage, irrigation or other agricultural interests*
 18 *as the State agricultural council may specify, but the*
 19 *number of agencies so specified shall be at least one less*
 20 *than the number of members provided for by clause (1).*

21 *The county agricultural program committee shall perform*
 22 *within its county the functions assigned to it pursuant to*
 23 *section 101 (c) of this Act and such other functions as the*

1 *Secretary may assign to it. It shall meet at such times as*
2 *it may specify, or upon call of the chairman of the county*
3 *agricultural program executive committee for its county.*

4 *COUNTY AGRICULTURAL PROGRAM EXECUTIVE*

5 *COMMITTEES*

6 *SEC. 107. Each county agricultural program committee*
7 *shall elect from among its members (1) not less than three and*
8 *not more than five, as determined by the State agricultural*
9 *council, members of a county agricultural program executive*
10 *committee, designating one of such members to be chairman,*
11 *one to be vice chairman, and one to be secretary, of such*
12 *executive committee, and (2) first and second alternates.*
13 *Vacancies occurring among the elected members of such execu-*
14 *tive committee between annual elections shall be filled for the*
15 *unexpired terms by the first and second alternates in that*
16 *order, or, if there are no alternates available, by election by*
17 *the county agricultural program committee, and at such elec-*
18 *tion first and second alternates again shall be elected. Vacan-*
19 *cies in the offices of chairman, vice chairman, and secretary*
20 *occurring between annual elections shall be filled for the un-*
21 *expired terms by election by such executive committee from*
22 *among its members. No member shall be elected for four full*
23 *consecutive terms. The executive committee shall, through*

1 personnel employed by it, perform within the county the func-
2 tions assigned to it pursuant to section 101 (c) of this Act
3 and such other functions as the Secretary may assign to it.

4 STATE AGRICULTURAL COUNCILS

5 SEC. 108. For each State of the United States there
6 shall be a State agricultural council consisting of the ex
7 officio members hereinafter specified, four elected members,
8 and as many additional elected members as may be speci-
9 fied in accordance with the provisions of this section; but
10 the number of additional members so specified shall not
11 exceed the greater of (1) two, or (2) one for each full
12 twenty counties in the State, plus one if the number of
13 counties in the State is not evenly divisible by twenty and
14 exceeds by more than ten the multiple of twenty which it
15 least exceeds. The Commissioner (or Secretary or Director,
16 as the case may be) of Agriculture, or his designee, the
17 Director of the Agricultural Experiment Station, or his des-
18 ignee, and the Director of the Agricultural Extension Serv-
19 ice, or his designee, for such State shall be the ex officio
20 members. The number of additional members, if any (not
21 exceeding the maximum number prescribed by the first sentence
22 of this section), to be elected shall be specified by the ex officio
23 members for the election first after the enactment of this Act
24 and by the State agricultural council for subsequent elections.
25 The members to be elected in any year, and first and second

1 alternates, shall be elected by the chairmen of the county agri-
2 cultural program executive committees of the State, meet-
3 ing together for that purpose, but not more than half of
4 those to be elected shall be elected from among the number
5 of such chairmen. The members first elected after the enact-
6 ment of this Act shall be elected for three-, two-, and one-
7 year terms in as nearly equal groups as may be possible
8 as follows: Not less than one-third of the number to be
9 elected shall first be elected to serve for three-year terms;
10 not less than one-half of the number remaining to be elected
11 shall then be elected to serve for two-year terms; and the
12 number then remaining to be elected shall then be elected
13 to serve for one-year terms. Should the number of mem-
14 bers to be elected at any election after the first election be
15 increased in accordance with the provisions of this section,
16 the additional members so added shall be elected for terms
17 of one, two, or three years in such manner that the number
18 of terms expiring in succeeding years shall, as nearly as
19 may be possible, be equal. Successors of all elected mem-
20 bers shall be elected for three-year terms. Any decrease
21 after the first election, in the number of members to be
22 elected, shall be made by allowing terms to expire without
23 electing successors in such manner that the number of terms
24 expiring annually after the decrease has been completed shall,
25 as nearly as may be possible, be equal. Vacancies occur-

1 ring among the elected members shall be filled for the
2 unexpired terms by the first and second alternates in that
3 order, or, if there be no alternates available, by election by
4 the chairmen of the county agricultural program executive
5 committees, conducted by mail or in such manner as may be
6 determined by the State agricultural council, and at such
7 election first and second alternates again shall be elected.
8 No member shall be elected for any term which, with any
9 previous periods of service by him as a member, would exceed
10 five years during any six-year period.

11 The State agricultural council shall develop plans to
12 effectuate the purposes of section 7 of the Soil Conservation
13 and Domestic Allotment Act in its State, shall perform
14 the functions assigned to it pursuant to section 101 (c) of
15 this Act and such other functions within its State as the
16 Secretary may assign to it, shall supervise and direct the
17 work of the county agricultural program and executive com-
18 mittees in its State, and shall otherwise cooperate with the
19 Secretary in the planning and carrying out of soil conserva-
20 tion programs in its State. It shall elect from among its
21 number a chairman, vice chairman, and secretary, and shall
22 employ a State administrator and such other personnel as it
23 may deem necessary to carry out its functions. In carrying
24 out the functions assigned to it, and subject to the approval
25 of the Secretary, it may enter into arrangements with (1)

1 *the Agricultural Extension Service in its State for the conduct*
2 *of educational and demonstrational programs and (2) State*
3 *agricultural councils of other States for cooperation on mat-*
4 *ters of mutual interest. Federal grants-in-aid for programs*
5 *administered by the State agricultural council shall be dis-*
6 *bursed by the appropriate agency of the State only pursuant*
7 *to direction by the State agricultural council. Any grants-*
8 *in-aid or other funds allocated to a State for programs*
9 *administered by the State agricultural council may be with-*
10 *held or recalled by the Secretary if he determines that such*
11 *council is not faithfully administering the programs assigned*
12 *to it.*

13 ADMINISTRATIVE EXPENSES

14 *SEC. 109. The Secretary is authorized and directed, from*
15 *any funds made available for the purposes of the Acts in*
16 *connection with which State agricultural councils, county*
17 *or community agricultural program committees, or county*
18 *agricultural program executive committees may be utilized, to*
19 *make payments to such councils or committees to cover the*
20 *estimated administrative expenses incurred or to be incurred*
21 *by them in carrying out the functions assigned to them under*
22 *such Acts. All or part of such administrative expenses of*
23 *any such council or committee may be deducted pro rata*
24 *from the Soil Conservation Act payments, parity payments,*
25 *or loans, or other payments or grants-in-aid under such*

1 Acts, unless payment of such expenses is otherwise provided
2 by law. The Secretary may make such payments in advance
3 of determination of performance. The administrative
4 expenses covered by such payments shall not include com-
5 pensation for services of members of State agricultural
6 councils and of community and county agricultural program
7 and executive committees except (subject to approval by
8 the Secretary) as follows:

9 (a) Each elected member of a State agricultural
10 council shall be entitled to compensation, at such rates
11 as may be fixed by the Secretary, for time actually spent
12 by him in the work of the council pursuant to its direc-
13 tion; and

14 (b) Each elected member of a county agricultural
15 program executive committee shall be entitled to com-
16 pensation, at such rate as may be fixed by the appro-
17 priate State agricultural council, for time actually spent
18 by him in the work of the committee pursuant to its
19 direction and subject to the approval of the State agri-
20 cultural council.

21 Subject to such limitations as the Secretary may prescribe,
22 such council and committee members shall also be entitled
23 to their reasonable expenses incurred in serving as such
24 members. No such member shall, out of any amounts paid

1 by the Secretary, be paid for performing any services in
2 addition to his services as member for any such council or
3 committee, but a member may resign as member in order
4 to accept employment by a council or committee, and a mem-
5 ber of a community agricultural program committee may be
6 paid for services performed at the request of the county
7 agricultural program, or executive committee, or the State
8 agricultural council. The Secretary shall make such regu-
9 lations as are necessary relating to the selection and exercise
10 of the functions of such councils and committees, respectively.
11 A county agricultural program committee may, except as
12 may be disapproved by the Secretary, accept, in addition to
13 the amounts paid to it by the Secretary, funds from other
14 public agencies to be utilized for agricultural purposes.

15 MEMBERSHIP LIMITED TO ONE COUNCIL OR COMMITTEE

16 SEC. 110. No person shall be a member of more than
17 one council or executive committee established pursuant to
18 this Act. Election of any chairman of a county agricultural
19 program executive committee to be a member of a State
20 agricultural council shall cause the offices he holds as a
21 member of a community agricultural program committee, a
22 county agricultural program committee, and a county agri-
23 cultural program executive committee to become vacant.

1 *TITLE II—AMENDMENTS TO SOIL CONSERVA-*
2 *TION AND DOMESTIC ALLOTMENT ACT*

3 *UTILIZATION OF LOCAL ORGANIZATIONS IN STATE PLANS*

4 *SEC. 201. Section 7 (d) of the Soil Conservation and*
5 *Domestic Allotment Act is amended by inserting at the end*
6 *thereof the following:*

7 *“No such plan submitted by a State of the United States*
8 *shall be approved by the Secretary, except after consultation*
9 *with the State agricultural council created pursuant to the*
10 *Agricultural Act of 1948; and unless by its terms such plan*
11 *provides—*

12 *“(A) that any sum to be allocated by the Secretary*
13 *to carry out the plan shall be disbursed by the appro-*
14 *priate agency of the State only pursuant to direction by*
15 *the State agricultural council, and*

16 *“(B) that (i) the State agricultural council, and*
17 *(ii) the community and county agricultural program*
18 *committees and county agricultural program executive*
19 *committees created pursuant to the Agricultural Act of*
20 *1948, shall, respectively, if authorized by the State, be*
21 *administering and participating agencies as provided in*
22 *clauses (1) and (2) of this subsection”.*

23 *EXTENSION OF NATIONAL PAYMENT PROGRAMS*

24 *SEC. 202. Section 8 (a), as amended, of the Soil Con-*
25 *servation and Domestic Allotment Act is amended (a) by*

1 striking out "January 1, 1949" wherever appearing therein
 2 and inserting in lieu thereof "January 1, 1951", and (b)
 3 by striking out "December 31, 1948" and inserting in lieu
 4 thereof "December 31, 1950".

5 UTILIZATION OF LOCAL ORGANIZATIONS IN NATIONAL
 6 PROGRAMS

7 SEC. 203. Section 8 (b) of the Soil Conservation and
 8 Domestic Allotment Act is amended to read as follows:

9 " (b) Subject to the limitations provided in subsection
 10 (a) of this section, the Secretary shall have power to carry
 11 out the purposes specified in clauses (1), (2), (3), (4),
 12 and (5) of section 7 (a) by making payments or grants of
 13 other aid to agricultural producers, including tenants and
 14 sharecroppers, in amounts determined by the Secretary after
 15 consultation with the respective State agricultural councils
 16 to be fair and reasonable in connection with the effectuation
 17 of such purposes during the year with respect to which such
 18 payments or grants are made, and measured by (1) their
 19 treatment or use of their land, or a part thereof, for soil
 20 restoration, soil conservation, or the prevention of erosion;
 21 (2) changes in the use of their land, including the develop-
 22 ment of suitable wildlife habitat in carrying out the purposes
 23 of section 1 of the Act of August 14, 1946 (60 Stat 1080);
 24 (3) their equitable share as determined by the Secretary,

1 of the normal national production of any commodity or
2 commodities required for domestic consumption; or (4)
3 their equitable share, as determined by the Secretary,
4 of the national production of any commodity or com-
5 modities required for domestic consumption and exports
6 adjusted to reflect the extent to which their utilization
7 of cropland on the farm conforms to farming practices
8 which the Secretary determines will best effectuate the
9 purposes specified in section 7 (a); or (5) any combination
10 of the above. In arid or semiarid sections, (1) and (2)
11 above shall be construed to cover water conservation and
12 the beneficial use of water on individual farms, including
13 measures to prevent run-off, the building of check dams and
14 ponds, and providing facilities for applying water to the land.
15 In determining the amount of any payment or grant meas-
16 ured by (1) or (2) the Secretary shall take into considera-
17 tion the productivity of the land affected by the farming
18 practices adopted during the year with respect to which
19 such payment is made. In carrying out the provisions of this
20 section in the continental United States, the Secretary is
21 directed to utilize the State agricultural councils and com-
22 munity and county agricultural program committees and
23 executive committees created pursuant to the Agricultural
24 Act of 1948. In carrying out the provisions of this section,
25 the Secretary shall, as far as practicable, protect the interests

1 of tenants and sharecroppers; is authorized to utilize the
2 agricultural extension service and other approved agencies;
3 shall accord such recognition and encouragement to producer-
4 owned and producer-controlled cooperative association as
5 will be in harmony with the policy toward cooperative
6 associations set forth in existing Acts of Congress and
7 as will tend to promote efficient methods of marketing
8 and distribution; shall not have power to acquire any
9 land or any right or interest therein; shall, in every
10 practicable manner, protect the interests of small pro-
11 ducers; and shall in every practical way encourage and pro-
12 vide for soil-conserving and soil-rebuilding practices rather
13 than the growing of soil-depleting crops. Rules and regula-
14 tions governing payments or grants under this subsection
15 shall be as simple and direct as possible, and, wherever
16 practicable, they shall be classified on two bases: (a) Soil-
17 depleting crops and practices, (b) soil-building crops and
18 practices. Notwithstanding any other provision of law in
19 making available conservation materials consisting of seeds,
20 seed inoculants, fertilizers, liming and other soil-conditioning
21 materials, trees, or plants, or in making available soil-con-
22 serving or soil-building services, to agricultural producers
23 under this subsection, the Secretary may make payments,
24 in advance of determination of performance by the producers,
25 to persons who fill purchase orders covering approved con-

1 *servation materials or covering soil-conserving or soil-building*
2 *services, furnished to producers at not to exceed a fair price*
3 *fixed in accordance with regulations to be prescribed by the*
4 *Secretary, or who render services to the Secretary in deliver-*
5 *ing to producers approved conservation materials, for the*
6 *carrying out, by the producers, of soil-building or soil-con-*
7 *serving practices approved by the Secretary.*

8 *“Appropriations are hereby authorized for the purchase*
9 *in advance of the program year for which the appropria-*
10 *tion is made of seeds, fertilizers, lime, trees, or other*
11 *plants, or any other farming materials or any soil-*
12 *terracing services, and making grants thereof to agricultural*
13 *producers to aid them in carrying out farming practices*
14 *approved by the Secretary in programs under this Act,*
15 *as amended; for the reimbursement of any Federal, State,*
16 *or local government agency for fertilizers, seeds, lime,*
17 *trees, or other plants, or other farming materials, or*
18 *any soil-terracing services, furnished by such agency; and*
19 *for the payment of all expenses necessary in making such*
20 *grants, including all or part of the costs incident to the de-*
21 *livery thereof.”*

22 *SEC. 204. The Soil Conservation and Domestic Allot-*
23 *ment Act is amended—*

24 *(a) By striking out the first word of section 8 (e)*

1 and inserting in lieu thereof "Subject to the provisions of
2 section 18 of this Act, payments";

3 (b) By striking out the proviso contained in section 8
4 (e); and

5 (c) By adding at the end thereof the following new
6 section:

7 "SEC. 18. Payments or grants of aid to farmers in any
8 State, under a State plan or by the Secretary, for soil-build-
9 ing or soil-conserving practices shall be—

10 "(a) made only for such practices as may be
11 approved by the Secretary after consultation with the
12 State agricultural council;

13 "(b) made, except with respect to farms designated
14 as demonstration or experimental farms, only for prac-
15 tices which the Secretary, after consultation with the
16 State agricultural council, determines have long-term
17 conservation and improvement value; and

18 "(c) divided among the landlords, tenants, and
19 sharecroppers of any farm, with respect to which such
20 payments are made, on the basis of relative value of
21 their contributions to, and benefits received from, such
22 practices in such manner as may be provided by the
23 Secretary after consultation with the State agricultural
24 council.

1 *“Beginning with the calendar year 1949, the total pay-*
2 *ments for any year to any person, under all State plans*
3 *and otherwise under this Act, not including payments made*
4 *with respect to demonstration or experimental farms, shall*
5 *not exceed \$1,000; but programs under this Act may provide*
6 *that, at the election of the owner of any farm, soil conserva-*
7 *tion or improvement practices taken with respect to such*
8 *farm in any year which have long-term effect may form*
9 *the basis for payments in such year and not to exceed the*
10 *succeeding four years with respect to such farm.”*

11 *SEC. 205. Section 11 of the Soil Conservation and*
12 *Domestic Allotment Act is amended to read as follows:*

13 *“SEC. 11. All funds available for carrying out this Act*
14 *shall be available for allotment to the bureaus and offices*
15 *of the Department of Agriculture and for transfer to such*
16 *other agencies of the Federal or State Governments as the*
17 *Secretary may request to cooperate or assist in carrying*
18 *out this Act, and for payments to State agricultural councils*
19 *or county or community agricultural program committees*
20 *or executive committees to cover the estimated administrative*
21 *expenses to be incurred by any such council or committee*
22 *in cooperating in carrying out this Act: Provided, That the*
23 *Secretary may prescribe that all or part of such estimated*
24 *expenses of any such council or committee may be deducted*

1 *pro rata from the payments or grants made to the members*
2 *thereof: And provided further, That the Secretary may make*
3 *such payments in advance of determination of performance."*

4 *TITLE III—AMENDMENTS TO THE AGRICUL-*
5 *TURAL ADJUSTMENT ACT OF 1938*

6 *DEFINITIONS OF "PARITY PRICE", "CARRY-OVER",*
7 *"NORMAL SUPPLY", AND "TOTAL SUPPLY"*

8 *SEC. 301. Section 301 of the Agricultural Adjustment*
9 *Act of 1938 is amended—*

10 *(a) By striking out paragraphs (1) and (2) of sub-*
11 *section (a) and inserting in lieu thereof the following:*

12 *"(1) (A) The 'parity price' for any agricultural com-*
13 *modity, as of any date, shall be determined by multiplying*
14 *the adjusted base price of such commodity as of such date*
15 *by the parity index as of such date.*

16 *"(B) The 'adjusted base price' of any agricultural*
17 *commodity, as of any date, shall be (i) the average of the*
18 *prices received by farmers for such commodity, at such*
19 *times as the Secretary may select during each year of the*
20 *ten-year period ending on the 31st of December last before*
21 *such date, or during each marketing season beginning in such*
22 *period if the Secretary determines use of a calendar year*
23 *basis to be impracticable, divided by (ii) the ratio of the gen-*
24 *eral level of prices received by farmers for agricultural com-*

1 commodities during such period to the general level of prices
 2 received by farmers for agricultural commodities during the
 3 period January 1910 to December 1914, inclusive.

4 “(C) The ‘parity index’, as of any date, shall be the
 5 ratio of (i) the general level of prices for articles and services
 6 that farmers buy, interest on farm indebtedness secured by
 7 farm real estate, and taxes on farm real estate, for the
 8 calendar month ending last before such date to (ii) the general
 9 level of such prices, rates, and taxes during the period
 10 January 1910 to December 1914, inclusive.

11 “(D) The prices and indices provided for herein, and
 12 the data used in computing them, shall be determined by
 13 the Secretary, whose determination shall be final.

14 “(E) Notwithstanding the provisions of subparagraph
 15 (A), the transitional parity price for any agricultural com-
 16 modity, computed as provided in this subparagraph, shall be
 17 used as the parity price for such commodity until such date
 18 after January 1, 1949, as such transitional parity price may
 19 be lower than the parity price, computed as provided in sub-
 20 paragraph (A), for such commodity. The transitional
 21 parity price for any agricultural commodity as of any date
 22 shall be—

23 “(i) its parity price determined in the manner used
 24 prior to the effective date of the Agricultural Act of 1948,
 25 less

1 “(ii) five per centum of the parity price so deter-
2 mined multiplied by the number of full calendar years
3 which, as of such date, have elapsed after January 1,
4 1948.

5 “(F) Notwithstanding the provisions of subparagraph
6 (A) and (E), if the parity price for any agricultural com-
7 modity, computed as provided in subparagraphs (A) and
8 (E) appears to be seriously out of line with the parity prices
9 of other agricultural commodities, the Secretary may, and
10 upon the request of a substantial number of interested pro-
11 ducers shall, hold public hearings to determine the proper
12 relationship between the parity price of such commodity and
13 the parity prices of other agricultural commodities. Within
14 sixty days after commencing such hearing the Secretary shall
15 complete such hearing, proclaim his findings as to whether
16 the facts require a revision of the method of computing the
17 parity price of such commodity, and put into effect any
18 revision so found to be required.

19 “(2) ‘Parity’, as applied to income, shall be that gross
20 income from agriculture which will provide the farm operator
21 and his family with opportunities for living equivalent to those
22 afforded persons dependent upon other gainful occupation.
23 ‘Parity’ as applied to income from any agricultural com-
24 modity for any year, shall be that gross income which bears
25 the same relationship to parity income from agriculture for

1 such year as the average gross income from such commodity
2 for the preceding ten calendar years bears to the average
3 gross income from agriculture for such ten calendar years.”

4 (b) By amending paragraph (3) (A) of subsection
5 (b) to read as follows:

6 “(A) ‘Carry-over’, in the case of corn, rice, and pea-
7 nuts for any marketing year shall be the quantity of the
8 commodity on hand in the United States at the beginning of
9 such marketing year, not including any quantity which was
10 produced in the United States during the calendar year then
11 current.”

12 (c) By amending paragraph (3) (B) of subsection
13 (b) to read as follows:

14 “(B) ‘Carry-over’ of cotton for any marketing year
15 shall be the quantity of cotton on hand either within or
16 without the United States at the beginning of such market-
17 ing year, which was produced in the United States prior to
18 the beginning of the calendar year then current, plus the
19 quantity on hand within the United States at the beginning
20 of such marketing year which was produced outside the
21 United States.”

22 (d) By striking out paragraph (10) of subsection (b)
23 and inserting in lieu thereof the following:

“(10) (A) ‘Normal supply’ in the case of corn, cotton, rice, wheat, and peanuts for any marketing year shall be (i) the estimated domestic consumption of the commodity for the marketing year ending immediately prior to the marketing year for which normal supply is being determined, plus (ii) the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus (iii) an allowance for carry-over.

The allowance for carry-over shall be the following percentage of the sum of the consumption and exports used in computing normal supply: 7 per centum in the case of corn; 23 per centum in the case of cotton; 10 per centum in the case of rice; 15 per centum in the case of wheat; and 15 per centum in the case of peanuts. In determining normal supply the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary.

“(B) ‘Normal supply’ in the case of tobacco shall be a normal year’s domestic consumption and exports, plus 175 per centum of a normal year’s domestic consumption and 65 per centum of a normal year’s exports as an allowance for a normal carry-over.”

1 (e) By amending paragraph (16) of subsection (b)
2 to read as follows:

3 “(A) ‘Total supply’ of cotton, wheat, corn, rice, and
4 peanuts for any marketing year shall be the carry-over
5 of the commodity for such marketing year, plus the estimated
6 production of the commodity in the United States during
7 the calendar year in which such marketing year begins and
8 the estimated imports of the commodity into the United
9 States during such marketing year.

10 “(B) ‘Total supply’ of tobacco for any marketing year
11 shall be the carry-over at the beginning of such marketing
12 year plus the estimated production thereof in the United
13 States during the calendar year in which such marketing
14 year begins, except that the estimated production of type-46
15 tobacco during the marketing year with respect to which
16 the determination is being made shall be used in lieu of
17 the estimated production of such type during the calendar
18 year in which such marketing year begins in determining
19 the total supply of cigar filler and cigar binder tobacco.”

20 PRICE SUPPORT

21 SEC. 302. (a) Section 302 of the Agricultural Adjust-
22 ment Act of 1938, as amended, is amended to read as
23 follows:

24 “SEC. 302. (a) The Secretary, through the Commodity

1 *Credit Corporation (except as provided in subsection (c))*
2 *and other means available to him, is authorized to sup-*
3 *port prices of agricultural commodities to producers*
4 *through loans, purchases, payments, and other operations.*
5 *Except as otherwise provided in this section, the amounts,*
6 *terms, and conditions of such price support operations, and*
7 *the extent to which such operations are carried out, shall,*
8 *in the case of operations carried out by Commodity Credit*
9 *Corporation, be determined by the Corporation with the ap-*
10 *proval and subject to the direction of the Secretary, and, in*
11 *the case of operations carried out by other means, be deter-*
12 *mined by the Secretary. In making such determinations,*
13 *consideration shall be given to (1) the supply of the com-*
14 *modity in relation to the demand therefor, (2) the price levels*
15 *at which other commodities are being supported, (3) the*
16 *availability of funds, (4) the perishability of the commodity,*
17 *(5) its importance to agriculture and the national economy,*
18 *(6) the ability to dispose of stocks acquired through a price*
19 *support operation, and (7) the ability and willingness of*
20 *producers to keep supplies in line with demand. Compliance*
21 *by the producer with acreage allotments, production goals,*
22 *and marketing practices prescribed by the Secretary may*
23 *be required as a condition of eligibility for price support.*
24 *The Secretary shall in all cases give consideration to the*

1 *practicability of supporting prices indirectly, as by the devel-*
2 *opment of improved merchandising methods, rather than*
3 *directly by purchase or loan.*

4 “(b) (1) *Price support shall be made available to pro-*
5 *ducers of any basic agricultural commodity at levels deter-*
6 *mined as hereinafter provided in this subsection. On the*
7 *basis of the latest available statistics of the Department of*
8 *Agriculture as of the beginning of each marketing year for*
9 *each such basic agricultural commodity, the Secretary shall,*
10 *with respect to such marketing year and such basic agri-*
11 *cultural commodity—*

12 “(i) *estimate the total supply;*

13 “(ii) *determine the normal supply; and*

14 “(iii) *determine the percentage which the estimated*
15 *total supply is of the normal supply (such percentage*
16 *being referred to herein as the ‘supply percentage’).*

17 “(2) *The level at which the price of such basic agri-*
18 *cultural commodity for such marketing year shall be sup-*
19 *ported for cooperators (other than cooperators outside the*
20 *commercial corn-producing area, in the case of corn) shall*
21 *not exceed 90 per centum of the parity price of such com-*
22 *modity as of the beginning of the marketing year or be less*

1 than the percentage of its parity price as of the beginning of
 2 such marketing year determined from the following table:

<i>If the supply percentage is:</i>		<i>The level of support shall be not less than the fol- lowing percentage of the parity price:</i>	
Not more than 70	-----	90	
More than 70 but not more than 72	-----	89	
More than 72 but not more than 74	-----	88	
More than 74 but not more than 76	-----	87	
More than 76 but not more than 78	-----	86	
More than 78 but not more than 80	-----	85	
More than 80 but not more than 82	-----	84	
More than 82 but not more than 84	-----	83	
More than 84 but not more than 86	-----	82	
More than 86 but not more than 88	-----	81	
More than 88 but not more than 90	-----	80	
More than 90 but not more than 92	-----	79	
More than 92 but not more than 94	-----	78	
More than 94 but not more than 96	-----	77	
More than 96 but not more than 98	-----	76	
More than 98 but not more than 102	-----	75	
More than 102 but not more than 104	-----	74	
More than 104 but not more than 106	-----	73	
More than 106 but not more than 108	-----	72	
More than 108 but not more than 110	-----	71	
More than 110 but not more than 112	-----	70	
More than 112 but not more than 114	-----	69	
More than 114 but not more than 116	-----	68	
More than 116 but not more than 118	-----	67	
More than 118 but not more than 120	-----	66	
More than 120 but not more than 122	-----	65	
More than 122 but not more than 124	-----	64	
More than 124 but not more than 126	-----	63	
More than 126 but not more than 128	-----	62	
More than 128 but not more than 130	-----	61	
More than 130	-----	60	

3 “(3) Notwithstanding the foregoing provisions of this
 4 section—

5 “(A) the minimum level of price support to co-
 6 operators, as determined from the foregoing table, for

1 any basic agricultural commodity shall, if marketing
 2 quotas or acreage allotments are in effect at the begin-
 3 ning of either the planting season or the marketing year
 4 for such commodity, be increased by a premium of 10
 5 per centum of the parity price of such commodity as of
 6 the beginning of the marketing year, or by such greater
 7 amount as the Secretary may, in view of the extent of
 8 the acreage reduction required, deem proper; but in no
 9 case shall the level of price support for any commodity
 10 be increased thereby above 90 per centum of its parity
 11 price as of the beginning of the marketing year; and

12 “(B) the level of price support for any basic
 13 agricultural commodity normally marketed in any
 14 marketing year with respect to which marketing quotas
 15 have been disapproved by producers shall be 50 per
 16 centum of the parity price of such commodity as of the
 17 beginning of such marketing year.

18 “(4) The level at which the price of corn shall be sup-
 19 ported for cooperators outside the commercial corn-producing
 20 area shall be 75 per centum of the level at which the price
 21 is supported for cooperators in the commercial corn-produc-
 22 ing area with respect to corn.

23 “(c) The support price for any nonbasic agricultural
 24 commodity shall not exceed 90 per centum of the parity
 25 price for the commodity as of the beginning of the marketing

1 year or season in the case of a commodity marketed on a
2 marketing year or seasonal basis, and as of January 1 in
3 the case of any other commodity. The price of wool shall be
4 supported at such level, not in excess of 90 per centum nor
5 less than 60 per centum of its parity price as of January 1,
6 as the Secretary may consider necessary in order to obtain,
7 and maintain, an annual production of approximately
8 360,000,000 pounds. The Commodity Credit Corporation
9 shall not carry out any operation to support the price of any
10 nonbasic agricultural commodity which is so perishable in
11 nature as not to be reasonably storable in ordinary commer-
12 cial warehouses or elevators without excessive loss or exces-
13 sive cost; but any such operation may be carried out by the
14 Secretary through other means available to him such as those
15 provided by section 32, Public Law Numbered 320,
16 Seventy-fourth Congress, approved August 24, 1935, as
17 amended: Provided, That the foregoing provisions shall not
18 be construed to prohibit the Commodity Credit Corporation
19 from supporting the price of any perishable nonbasic agri-
20 cultural commodity by a loan, purchase, payment, or other
21 operation undertaken with respect to a storable commodity
22 processed from such perishable nonbasic agricultural com-
23 modity.

24 “(d) Notwithstanding the foregoing provisions of this

1 section, price support operations at levels in excess of the
2 maximum level of price support otherwise prescribed in this
3 section may be undertaken whenever it is determined that
4 price support at such increased levels is necessary in order
5 to increase or maintain the production of any agricultural
6 commodity in the national interest.

7 “(e) Appropriate adjustments may be made in the sup-
8 port price for any commodity for differences in grade, type,
9 staple, quality, location, and other factors. Such adjustments
10 shall be made in such manner that the average support price
11 for such commodity in each marketing year will, on the basis
12 of the anticipated incidence of such factors, be equal to the
13 level determined as provided in this section for such marketing
14 year.

15 “(f) For the purposes of this section—

16 “(1) A ‘cooperator’ with respect to any basic agri-
17 cultural commodity shall be a producer on whose farm
18 the acreage planted to the commodity does not exceed the
19 farm acreage allotment for the commodity under this title,
20 or, in the case of price support for corn to a producer
21 outside the commercial corn-producing area, a producer
22 who complies with conditions of eligibility prescribed by
23 the Secretary.

24 “(2) A ‘basic agricultural commodity’ shall mean
25 any of the commodities cotton, wheat, corn, tobacco, rice,

1 and peanuts of a crop harvested after December 31,
2 1948.

3 “(3) A ‘nonbasic agricultural commodity’ shall
4 mean any agricultural commodity other than a basic
5 agricultural commodity.

6 “(g) No producer shall be personally liable for any
7 deficiency arising from the sale of the collateral securing
8 any loan made under authority of this section unless such
9 loan was obtained through fraudulent representations by the
10 producer. This provision shall not, however, be construed
11 to prevent Commodity Credit Corporation or the Secretary
12 from requiring producers to assume liability for deficiencies
13 in the grade, quality, or quantity of commodities stored on
14 the farm or delivered by them, for failure properly to care
15 for and preserve commodities, or for failure or refusal to
16 deliver farm-stored commodities in accordance with the re-
17 quirements of the program.

18 “(h) The Commodity Credit Corporation shall not sell
19 any farm commodity owned or controlled by it at less than
20 a price determined on a basis calculated to reimburse it for
21 all costs (including carrying and other appropriate charges)
22 incurred by it with respect to its stocks of such commodity,
23 or 90 per centum of the parity price of such commodity,
24 whichever is less, except that the foregoing restrictions shall
25 not apply to (A) sales for new or byproduct uses; (B) sales

1 of peanuts for the extraction of oil; (C) sales for seed or
 2 feed; (D) sales of commodities which have substantially de-
 3 teriorated in quality or of nonbasic perishable commodities
 4 where there is danger of loss or waste through spoilage;
 5 (E) sales for the purpose of establishing claims against per-
 6 sons who have committed fraud, misrepresentation, or other
 7 wrongful acts with respect to the commodity; (F) sales for
 8 export; and (G) sales of wool.”

9 (b) Section 381 (c) of the Agricultural Adjustment
 10 Act of 1938 is repealed.

11 MARKETING QUOTAS

12 CORN

13 SEC. 303. (a) The first sentence of section 322 (a)
 14 of the Agricultural Adjustment Act of 1938 is amended to
 15 read as follows:

16 “Whenever in any calendar year the Secretary determines—

17 “(1) that the total supply of corn for the market-
 18 ing year beginning in such calendar year will exceed
 19 the normal supply for such marketing year by more than
 20 15 per centum; or

21 “(2) that the total supply of corn for the market-
 22 ing year ending in such calendar year is not less
 23 than the normal supply for the marketing year so ending,
 24 and that the average farm price for corn for three

1 successive months of the marketing year so ending does
2 not exceed 70 per centum of parity
3 the Secretary shall, not later than November 15 of such
4 calendar year, proclaim such fact and marketing quotas
5 shall be in effect in the commercial corn producing area for
6 the crop of corn grown in such area in the next succeeding
7 calendar year and shall remain in effect until terminated in
8 accordance with the provisions of this title."

9 (b) Sections 322 (b) and 322 (c) of the Agricultural
10 Adjustment Act of 1938 and the joint resolution entitled
11 “Joint resolution relating to section 322 of the Agricultural
12 Adjustment Act of 1938, as amended”, approved July 26,
13 1939 (53 Stat. 1125), are hereby repealed.

14 (c) Section 322 (d) of the Agricultural Adjustment Act
15 of 1938 is amended (1) by striking out “(c)” and inserting
16 in lieu thereof “(a)”, and (2) by striking out “September”
17 and inserting in lieu thereof “March”.

WHEAT

19 *SEC. 304. (a) Section 335 (a) of the Agricultural*
20 *Adjustment Act of 1938 is amended by striking out the first*
21 *two sentences thereof and inserting in lieu thereof the follow-*
22 *ing:*

²³ “Whenever in any calendar year the Secretary determines—

24 “(1) that the total supply of wheat for the market-

ing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 15 per centum; or

“(2) that the total supply of cotton for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for cotton for three successive months of such marketing year does not exceed 70 per centum of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect with respect to cotton during the marketing year beginning in the next succeeding calendar year.”

RICE

SEC. 306. The first sentence of section 355 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

“Whenever during any calendar year the Secretary determines—

“(1) that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 15 per centum; or

“(2) that the total supply of rice for the marketing year ending in such calendar year is not less than the

1 *normal supply for such marketing year, and that the*
 2 *average farm price for rice for three successive months*
 3 *of such marketing year does not exceed 70 per centum*
 4 *of parity*
 5 *the Secretary shall, not later than December 31 of such*
 6 *calendar year, proclaim such fact and, during the marketing*
 7 *year beginning in the next succeeding calendar year and*
 8 *continuing throughout such marketing year, a national*
 9 *marketing quota shall be in effect with respect to the market-*
 10 *ing of rice by producers."*

11 *SEC. 307. The Agricultural Adjustment Act of 1938*
 12 *is amended—*

13 *(a) By inserting in section 328 after the words "out-*
 14 *side the commercial corn-producing area" the following:*
 15 *"or imported";*

16 *(b) By inserting in section 333 after "for such crop"*
 17 *the following: "and imports";*

18 *(c) By inserting in section 343 (a) after "August 1*
 19 *of such succeeding calendar year" the following: "and*
 20 *imports";*

21 *(d) By striking out sections 359 (d) and 359 (e);*

22 *(e) By striking out of section 364 "committee utilized*
 23 *for the purposes of the Soil Conservation and Domestic Allot-*
 24 *ment Act, as amended", and inserting in lieu thereof "county*

1 *agricultural program executive committee provided for by*
 2 *the Agricultural Act of 1948”.*

3 *(f) By striking out of section 385 “or loan” and in-*
 4 *serting in lieu thereof “loan, or price support operation”.*

5 *UTILIZATION OF LOCAL ORGANIZATION IN CARRYING OUT*

6 *THE AGRICULTURAL ADJUSTMENT ACT OF 1938*

7 *SEC. 308. Section 388 of the Agricultural Adjust-*
 8 *ment Act of 1938 is amended to read as follows:*

9 *“SEC. 388. In carrying out the provisions of this Act*
 10 *the Secretary is directed to utilize the State agricultural*
 11 *councils and community and county agricultural program*
 12 *committees and executive committees created pursuant to the*
 13 *Agricultural Act of 1948; and the local administrative areas*
 14 *and local and county committees referred to in this Act shall*
 15 *be the local administrative areas and the community and*
 16 *county agricultural program committees and executive com-*
 17 *mittees provided for by the Agricultural Act of 1948.”*

18 *TITLE IV—MISCELLANEOUS*

19 *SECTION 32 FUNDS*

20 *SEC. 401. Section 32, as amended, of the Act entitled*
 21 *“An Act to amend the Agricultural Adjustment Act, and*
 22 *for other purposes”, approved August 24, 1935 (U. S. C.,*
 23 *title 7, sec. 612c), is amended by adding at the end thereof*
 24 *the following: “The sums appropriated under this section*

1 *shall, notwithstanding the provisions of any other law, con-*
 2 *tinue to remain available for the purposes of this section*
 3 *until expended; but any excess of the amount remaining*
 4 *unexpended at the end of any fiscal year over \$300,000,000*
 5 *shall, in the same manner as though it had been appropriated*
 6 *for the service of such fiscal year, be subject to the provisions*
 7 *of section 3690 of the Revised Statutes (U. S. C., title 31,*
 8 *sec. 712), and section 5 of the Act entitled 'An Act making*
 9 *appropriations for the legislative, executive, and judicial ex-*
 10 *penses of the Government for the year ending June*
 11 *thirtieth, eighteen hundred and seventy-five, and for other*
 12 *purposes' (U. S. C., title 31, sec. 713)."*

13 *SEC. 402. Section 22 of the Agricultural Adjustment*
 14 *Act of 1933, as added by section 31 of the Act of August*
 15 *24, 1935 (49 Stat. 773), reenacted by the Agricultural*
 16 *Marketing Agreement Act of 1937 (50 Stat. 246), as*
 17 *amended, is hereby amended to read as follows:*

18 *"SEC. 22. (a) Whenever the President has reason to*
 19 *believe that any article or articles are being or are practically*
 20 *certain to be imported into the United States under such con-*
 21 *ditions and in such quantities as to render or tend to render*
 22 *ineffective, or materially interfere with, any program or*
 23 *operation undertaken under this title or the Soil Conservation*
 24 *and Domestic Allotment Act, as amended, or section 32,*
 25 *Public Law Numbered 320, Seventy-fourth Congress, ap-*

1 *proved August 24, 1935, as amended, or any loan, purchase,*
2 *or other program or operation undertaken by the Depart-*
3 *ment of Agriculture, or any agency operating under its direc-*
4 *tion, with respect to any agricultural commodity or product*
5 *thereof, or to reduce substantially the amount of any product*
6 *processed in the United States from any agricultural com-*
7 *modity or product thereof with respect to which any such*
8 *program or operation is being undertaken, he shall cause an*
9 *immediate investigation to be made by the United States*
10 *Tariff Commission, which shall give precedence to investiga-*
11 *tions under this section to determine such facts. Such in-*
12 *vestigation shall be made after due notice and opportunity*
13 *for hearing to interested parties, and shall be conducted sub-*
14 *ject to such regulations as the President shall specify.*

15 *“(b) If, on the basis of such investigation and report*
16 *to him of findings and recommendations made in connection*
17 *therewith, the President finds the existence of such facts, he*
18 *shall by proclamation impose such fees not in excess of 50*
19 *per centum ad valorem or such quantitative limitations on*
20 *any article or articles which may be entered, or withdrawn*
21 *from warehouse, for consumption as he finds and declares*
22 *shown by such investigation to be necessary in order that the*
23 *entry of such article or articles will not render or tend to*
24 *render ineffective, or materially interfere with, any program*
25 *or operation referred to in subsection (a), of this section,*

1 or reduce substantially the amount of any product processed
2 in the United States from any such agricultural commodity
3 or product thereof with respect to which any such program
4 or operation is being undertaken: Provided, That no procla-
5 mation under this section shall impose any limitation on the
6 total quantity of any article or articles which may be entered,
7 or withdrawn from warehouse, for consumption which re-
8 duces such permissible total quantity to proportionately less
9 than 50 per centum of the total quantity of such article or
10 articles which was entered, or withdrawn from warehouse,
11 for consumption during a representative period as determined
12 by the President: And provided further, That in designating
13 any article or articles, the President may describe them by
14 physical qualities, value, use, or upon such other bases as he
15 shall determine.

16 “(c) The fees and limitations imposed by the President
17 by proclamation under this section and any revocation,
18 suspension, or modification thereof, shall become effective on
19 such date as shall be therein specified, and such fees shall
20 be treated for administrative purposes and for the purposes
21 of section 32 of Public Law Numbered 320, Seventy-fourth
22 Congress, approved August 24, 1935, as amended, as duties
23 imposed by the Tariff Act of 1930, but such fees shall not be
24 considered as duties for the purpose of granting any pref-

1 erential concession under any international obligation of the
2 United States.

3 “(d) After investigation, report, finding, and declara-
4 tion in the manner provided in the case of a proclamation
5 issued pursuant to subsection (b) of this section, any procla-
6 mation or provision of such proclamation may be suspended
7 or terminated by the President whenever he finds and pro-
8 claims that the circumstances requiring the proclamation or
9 provision thereof no longer exist or may be modified by the
10 President whenever he finds and proclaims that changed
11 circumstances require such modification to carry out the
12 purposes of this section.

13 “(e) Any decision of the President as to facts under
14 this section shall be final.

15 “(f) No proclamation under this section shall be enforced
16 in contravention of any treaty or other international agree-
17 ment to which the United States is or hereafter becomes a
18 party.”

19 “PARITY”—OTHER STATUTES

20 SEC. 403. (a) Section 2 (1) of the Agricultural
21 Adjustment Act, reenacted by the Agricultural Marketing
22 Agreement Act of 1937, is amended to read as follows:

23 “(1) Through the exercise of the powers conferred upon
24 the Secretary of Agriculture under this title, to establish and

1 *maintain such orderly marketing conditions for agricultural*
2 *commodities in interstate commerce as will establish, as the*
3 *prices to farmers, parity prices as defined by section 301*
4 *(a) (1) of the Agricultural Adjustment Act of 1938."*

5 *(b) Section 8c (18) of the Agricultural Adjustment*
6 *Act, reenacted by the Agricultural Marketing Agreement*
7 *Act of 1937, is amended to read as follows:*

8 *“(18) The Secretary of Agriculture, prior to prescrib-*
9 *ing any term in any marketing agreement or order, or*
10 *amendment thereto, relating to milk or its products, if such*
11 *term is to fix minimum prices to be paid to producers or*
12 *associations of producers, or prior to modifying the price*
13 *fixed in any such term, shall ascertain the parity prices of*
14 *such commodities. The prices which it is declared to be the*
15 *policy of Congress to establish in section 2 of this title shall,*
16 *for the purposes of such agreement, order, or amendment,*
17 *be adjusted to reflect the price of feeds, the available sup-*
18 *plies of feeds, and other economic conditions which affect*
19 *market supply and demand for milk or its products in the*
20 *marketing area to which the contemplated marketing agree-*
21 *ment, order, or amendment relates. Whenever the Secretary*
22 *finds, upon the basis of the evidence adduced at the hearing*
23 *required by section 8b of this title or this section, as the*
24 *case may be, that the parity prices of such commodities are*
25 *not reasonable in view of the price of feeds, the available*

1 supplies of feeds, and other economic conditions which affect
2 market supply and demand for milk and its products in the
3 marketing area to which the contemplated agreement, order,
4 or amendment relates, he shall fix such prices as he finds
5 will reflect such factors, insure a sufficient quantity of pure
6 and wholesome milk, and be in the public interest. There-
7 after, as the Secretary finds necessary on account of changed
8 circumstances, he shall, after due notice and opportunity for
9 hearing, make adjustments in such prices.”

10 (c) Section 8c (17) of the Agricultural Adjustment
11 Act, reenacted by the Agricultural Marketing Agreement
12 Act of 1937, is amended by striking out “and section 8e”

13 (d) Section 8e of the Agricultural Adjustment Act,
14 reenacted by the Agricultural Marketing Agreement Act
15 of 1937, is repealed.

16 (e) Any program in effect under the Agricultural Mar-
17 keting Agreement Act of 1937, as amended, on the effective
18 date of this Act shall continue in effect without the necessity
19 for any amendatory action relative to such program, but any
20 such program shall be continued in operation by the Secretary
21 of Agriculture only to establish and maintain such orderly
22 marketing conditions as will tend to effectuate the declared
23 purpose set out in section 2 of such Act, as amended by this
24 section.

1 (f) *All references in other laws to—*

2 (1) *parity,*

3 (2) *parity prices,*

4 (3) *prices comparable to parity prices, or*

5 (4) *prices to be determined in the same manner*
6 *as provided by the Agricultural Adjustment Act of 1938*
7 *prior to its amendment by this Act for the determination*
8 *of parity prices,*

9 *with respect to prices for agricultural commodities and*
10 *products thereof, shall hereafter be deemed to refer to parity*
11 *prices as determined in accordance with the provisions of*
12 *section 301 (a) (1) of the Agricultural Adjustment Act*
13 *of 1938, as amended by this Act.*

14 *EFFECTIVE DATE*

15 *SEC. 404. This Act shall take effect on January 1,*
16 *1949, except that section 402 shall take effect upon the*
17 *enactment of this Act.*

80TH CONGRESS
2D SESSION

S. 2318

[Report No. 1295]

A BILL

To provide for a coordinated agricultural
program.

By Mr. AIKEN, Mr. BUSHFIELD, Mr. WILSON,
Mr. THYE, Mr. THOMAS of Oklahoma, Mr.
ELIENDER, and Mr. LUCAS

MARCH 15, 1948

Read twice and referred to the Committee on
Agriculture and Forestry

MAY 17 (legislative day, MAY 10), 1948

Reported with an amendment

80TH CONGRESS
2D SESSION

S. 2318

IN THE SENATE OF THE UNITED STATES

MAY 20, 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. COOPER to the bill (S. 2318) to provide for a coordinated agricultural program, viz: On page 89, line 4, after the word "operation" add a new section 308 as below and renumber present section 308 to 309:

1

TOBACCO

2

(g) Section 312 (a) of the Agricultural Adjustment

3

Act of 1938 is amended by striking out the period after the

4

last word in the first sentence and adding the following:

5

“Provided, That the Secretary shall, notwithstanding the

6

total supply or the reserve supply level, proclaim a national

7

marketing quota for the marketing year beginning in the

8

next calendar year for any kind of tobacco for which a

9

national marketing quota was proclaimed for the immedi-

1 ately preceding marketing year and shall proclaim a national
 2 marketing quota for Virginia sun-cured tobacco for any
 3 marketing year for which a quota is proclaimed for fire-
 4 cured tobacco, and, beginning on the first day of the mar-
 5 keting year next following and continuing throughout such
 6 year, a national marketing quota shall be in effect for the
 7 tobacco marketed during such marketing year.”

80TH CONGRESS
 2D SESSION

S. 2318

AMENDMENT

Intended to be proposed by Mr. Cooper to the
 bill (S. 2318) to provide for a coordinated
 agricultural program.

MAY 20, 1948

Ordered to lie on the table and to be printed

80TH CONGRESS
2D SESSION

S. 2318

IN THE SENATE OF THE UNITED STATES

MAY 20, 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. MAGNUSON to the bill (S. 2318) to provide for a coordinated agricultural program, viz:

1 On page 90, line 22 after the words "interfere with"
2 insert: "or to render or tend to render necessary".

3 On page 91, delete lines 9 through 14 and substitute
4 therefor the following: "immediate investigation to be made
5 by the Secretary of Agriculture to determine such facts,
6 after due notice to interested parties. When circumstances
7 permit, such investigation shall include opportunity for
8 hearing to interested parties, which hearing shall be con-
9 ducted subject to such regulation as the President shall
10 specify. Upon completion of such investigation, the Secre-

1 tary of Agriculture shall consult with the Tariff Commis-
 2 sion and the Secretary and the Commission shall report to
 3 the President, jointly, their findings and recommendations
 4 concerning the matter investigated: *Provided, however, That*
 5 if the Secretary and Commission are unable to agree on a
 6 report, then each shall report to the President separately."

80TH CONGRESS
 2d Session

S. 2318

AMENDMENTS

Intended to be proposed by Mr. MAGNUSON to
 the bill (S. 2318) to provide for a coordi-
 nated agricultural program.

MAY 20, 1948

Ordered to lie on the table and to be printed

DIGEST OF CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued May 25, 1948
For actions of May 24, 1948
80th-2nd, No. 93

CONTENTS

Agriculture appropriation bill (individual items not indexed)..... 1	Foreign affairs.....30	Nomination..... 2
Appropriations....1,3,22,40	Relief.....21,24,35	Prices, parity.....13
Buildings and grounds.... 7	Grain.....30	Personnel.....6,15,32
Drugs.....28	Health.....22	Rehabilitation, rural....23
Economy.....38	Housing.....31,43	Secretary of Agriculture. 2
Education.....29	Inflation.....36	Social security.....16
Emergency powers..... 9	Insect control.....10	Territories and pos-
Farm program.....8,37,41	Lands.....26	sessions.....17,25,33
Federal aid.....29	Lands, forest..... 4	Tobacco.....13,35
Flood control.....34	Lands, reclamation....5,27	Trade, foreign.....12,39
Forests and forestry.4,8,18	Livestock and meat....10,14	Transportation.....20,25
	Minerals.....19	Water utilization..... 5
	National defense.....40,42	Weed killer.....11

HIGHLIGHTS: Senate debated agricultural appropriation bill. Senate received Brannan nomination. House committees reported bills to provide for control of cattle grubs, to change base period for Md. tobacco, to request USDA to prevent crop damage from 2,4-D, to continue certain allocation and export-import control powers, and to continue trade-agreements authority for 1 year. Rep. Robertson criticized Wheat Agreement.

SENATE

1. **AGRICULTURAL APPROPRIATION BILL.** Continued debate on this bill, H. R. 5883 (pp. 6478-94).

Agreed to the following amendments:

- By Sen. Young, W. Dak., to permit use of unobligated FCIC appropriations to liquidate the previous program (p. 6478).
- By Sen. Russell, Ga., to increase the 1949 ACP authorization to \$300,000,000, by a 41-38 vote (pp. 6478-92).
- By Sen. Magnuson, Wash., to authorize the Secretary to authorize RACC to re-enter an area or region where an economic emergency or production disaster has occurred (pp. 6492-4).
- By Sen. Wherry, Nebr., to provide that \$2,070,500 of the flood-control item shall be available for preliminary examinations and surveys (p. 6494).

2. **NOMINATION.** Received the nomination of Charles F. Brannan to be Secretary of Agriculture (p. 6500).

3. **TREASURY-POST OFFICE APPROPRIATION BILL.** The Appropriations Committee reported this bill, H. R. 5770, with amendments (S. Rept. 1389)(p. 6472).

4. **FOREST LANDS.** The Interior and Insular Affairs Committee reported with amendment S. 1243, which provides for payment of revenues of certain lands into the tribal funds of the Confederated Tribes of the Warm Springs Reservation, Oreg., part of these lands being in the Mt. Hood National Forest (S. Rept. 1391)(p. 6472).

5. RECLAMATION. Passed as reported S. 1445, granting consent to Idaho and Wyo. to enter into a compact for division of Snake River waters (p. 6450).
Passed without amendment H. R. 3731, authorizing modifications in the repayment contracts with the Lower Yellowstone Irrigation Districts 1 and 2, in lieu of S. 1386, which was then indefinitely postponed (pp. 6450-1). This bill will now be sent to the President.
6. PERSONNEL SERVICES. Passed without amendment H. R. 4426, providing basic authority for certain functions of the Weather Bureau, including a provision authorizing the use of its appropriations for furnishing to its employees, and other Government employees, outside continental U. S., free medical service, commissary service, messing facilities, certain recreational facilities, and quarters (p. 6467). This bill will now be sent to the President.
7. BUILDINGS AND GROUNDS. Passed without amendment H. J. Res. 381; to provide for the quartering, in Government buildings in D. C., of troops participating in the inaugural ceremonies in 1949 (p. 6468). This bill will now be sent to the President.
8. BILLS PASSED OVER included the following:
 - S. 582, to provide for payments in lieu of taxes on national-forest lands (p. 6449), at the request of Sen. Cordon, Oreg., who said he intended to offer an amendment.
 - S. 2318, the long-range farm program bill, at the request of Sen. Aiken, Vt., who said, "I should like to see it passed immediately, without objection, but I realize that it is not possible to do that" (p. 6456).
 - S. 580, to transfer certain OAC lands from the Forest Service to Interior, at the request of Sen. Lucas, Ill., who said he understood Sen. Chavez objected to it (p. 6471).

HOUSE

9. EMERGENCY POWERS. The Banking and Currency Committee reported without amendment H.R. 6659, to continue for a temporary period certain emergency powers of the President under the Second Decontrol Act of 1947 (H.Rept. 2022) (p. 6533).
10. CATTLE GRUBS. The Agriculture Committee reported without amendment H.R. 1043, authorizing additional research and investigation into problems and methods relating to the eradication of cattle grubs (H.Rept. 2020) (p. 6533).
11. WEED KILLER. The Agriculture Committee reported without amendment H. Res. 452, requesting the Secretary of Agriculture to take action to prevent damage to valuable crops as a result of the use of the weed killer, 2,4-D (H.Rept. 2021) (p. 6533).
12. FOREIGN TRADE. The Ways and Means Committee reported without amendment H.R. 6556, to extend the Reciprocal Trade Agreements Act to June 30, 1949 (H.Rept. 2009) (p. 6533); and the Rules Committee reported a resolution for the consideration of this bill (pp. 6527, 6533).
13. TOBACCO. The Agriculture Committee reported with amendments H.R. 5111, to change from Aug. 1919 to July 1929, to the period from Jan. 1936 to Dec. 1945, the base period for the determination of parity for Maryland tobacco (H.Rept. 2023) (p. 6533).
The Rules Committee reported a resolution for consideration of H.R. 5645, to assist the States in collection of cigarette taxes (pp. 6501-2, 6533).

Mr. SALTONSTALL. Mr. President, while I am in favor of the bill and believe it should be enacted, while temporarily occupying the chair of the majority leader, I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

RETURN OF CERTAIN LANDS IN PUERTO RICO

The bill (S. 2592) to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to return certain lands situated in Puerto Rico was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force are individually authorized, in accordance with the express provisions of the conveyances to the United States Government or the final judgments in condemnation proceedings filed at the request of the Secretary of the Army in the Federal District Court for Puerto Rico, to convey all or any part of the land in Puerto Rico, which was acquired for national defense purposes, when such land or part thereof is no longer required for such purposes. The improvements constructed by the Departments of the Army, Navy, or Air Force, upon such property will be disposed of by the Secretaries of the Army, Navy, or Air Force prior to the time such property is conveyed, in accordance with the best interests of the United States Government: *Provided,* That no such property shall be conveyed or otherwise disposed of without the prior joint approval thereof of the Secretaries of the Army, Navy, Air Force, and Treasury.

CONVEYANCE OF A RIGHT-OF-WAY IN CERTAIN LANDS AT PUNGO, VA.

The bill (S. 2593) to authorize the Secretary of the Navy to convey to the Commonwealth of Virginia a right-of-way for public highway purposes in certain lands at Pungo, Va., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he hereby is, authorized to convey to the Commonwealth of Virginia, without cost to the said Commonwealth, and upon such terms and conditions as he may deem proper, a perpetual easement for public-highway purposes in, over, and across a strip of land contiguous to the former naval auxiliary air station, Pungo, Va., being approximately 1,595 feet long and containing 1.58 acres, more or less, metes and bounds description of which is on file in the Navy Department.

CONSTRUCTION OF RECREATIONAL PARK AT UNITED STATES NAVAL HOSPITAL, GREAT LAKES, ILL.

The bill (S. 2251) to authorize the Army and Navy Union, United States of America, Department of Illinois, to construct a recreational park on the grounds of the United States naval hospital, Great Lakes, Ill., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to permit the Army and Navy Union, United States of America, Department of Illinois, to construct a recreational park on the grounds of the United States naval hospital, United States naval training center, Great Lakes, Ill., for the convenience and pleasure of the patients of that hospital.

SEC. 2. The site of the recreational park and its construction shall be subject to the approval of the Secretary of the Navy. The construction of the recreational park and all work performed in connection therewith shall be without cost to the United States.

SEC. 3. Upon completion of the recreational park the Secretary of the Navy is authorized to accept it as an unconditional gift to the United States from the Army and Navy Union, United States of America, Department of Illinois.

INCREASED ALLOWANCES FOR ESCORTS OF REPATRIATED WAR DEAD

The bill (H. R. 5870) to amend the act of May 16, 1946, as amended, to provide increased allowances for the escorts of repatriated war dead, was considered, ordered to a third reading, read the third time, and passed.

RESEARCH AND CONTROL OF DISEASES OF HEART AND CIRCULATION

The Senate proceeded to consider the bill (S. 2215) to provide for research and control relating to diseases of the heart and circulation, which had been reported from the Committee on Labor and Public Welfare with amendments.

Mr. WHERRY. Mr. President, may I ask for an explanation of the bill, and also the amount of the appropriation involved?

Mr. SMITH. Mr. President, the committee, after considering the bill, felt that the proper handling of the matter was to establish an institute identical in form with the present institute for research in cancer. Consequently we have offered an amendment containing practically all the provisions as then introduced and providing for handling the question as it is done under provisions of the Public Service Health Act. It is identical in form with the present provisions for research in the field of cancer. The committee reported the bill unanimously, and I sincerely hope that it will be passed.

In answer to the question as to the amount of the appropriation, no amount is fixed. It will be necessary for the institute to request appropriations.

Mr. WHERRY. I am very much in sympathy with the bill, but I felt that it should be pointed out that it is an authorization bill and that appropriations will have to be made upon a showing before the Appropriations Committee.

Mr. SMITH. That is correct. It will be operated on the same basis as the cancer research is handled at the present time, through private agencies as in the case of cancer.

The PRESIDENT pro tempore. The Clerk will state the committee amendment.

The amendment was to strike out all after the enacting clause and insert:

That this act may be cited as the "National Heart Act."

PURPOSE

SEC. 2. The purpose of this act is to improve the health of the people of the United States through the conduct of researches, investigations, experiments, and demonstrations relating to the cause, prevention, and methods of diagnosis and treatment of diseases of the heart and circulation; assist and foster such researches and other activities by public and private agencies, and promote the coordination of all such researches and activities and the useful application of their results; provide training in matters relating

to heart diseases, including refresher courses for physicians; and develop, and assist States and other agencies in the use of, the most effective methods of prevention, diagnosis, and treatment of heart diseases.

RESEARCH AND TRAINING

SEC. 3. (a) The title of title IV of the Public Health Service Act (42 U. S. C., ch. 6A) is amended to read "Title IV—National Cancer and Heart Institutes."

(b) Title IV of such act is further amended by inserting "Part A—National Cancer Institute" between the title of such title IV and the heading of section 401, and by adding at the end of section 406 the following new part:

"PART B—NATIONAL HEART INSTITUTE "ESTABLISHMENT OF INSTITUTE

"SEC. 411. There is hereby established in the Public Health Service a National Heart Institute (hereafter in this part referred to as the 'Institute').

"HEART-DISEASE RESEARCH AND TRAINING

"SEC. 412. In carrying out the purposes of section 301 with respect to heart diseases the Surgeon General, through the Institute and in cooperation with the National Advisory Heart Council shall—

"(a) conduct, assist, and foster researches, investigations, experiments, and demonstrations relating to the cause, prevention, and methods of diagnosis and treatment of heart diseases;

"(b) promote the coordination of researches conducted by the Institute and similar researches conducted by other agencies, organizations, and individuals;

"(c) provide training and instruction in technical matters relating to the diagnosis, prevention, and treatment of heart diseases, and provide for such training and instruction through grants to public and other non-profit agencies and institutions;

"(d) provide fellowships in the Institute from funds appropriated or donated for such purpose;

"(e) secure for the Institute consultation services and advice of heart disease experts from the United States or abroad;

"(f) cooperate with State health agencies in the prevention, control, and eradication of heart diseases;

"(g) make grants-in-aid to universities, hospitals, laboratories, and other public or private agencies and institutions, and to individuals for such research projects relating to heart diseases as are recommended by the National Advisory Heart Council, including grants to such agencies and institutions for the construction, acquisition, leasing, equipment, and maintenance of such hospital, clinic, laboratory, and related facilities, and for the care of such patients therein, as are necessary for such research.

"ADMINISTRATION

"SEC. 413. (a) In carrying out the provisions of section 412 all appropriate provisions of section 301 shall be applicable to the authority of the Surgeon General, and he is authorized to provide the necessary facilities where training and instruction may be given in all technical matters relating to diagnosis, prevention, and treatment of heart diseases to persons found by the Surgeon General to have proper technical qualifications, and designated by him for such training or instruction, and to fix and pay them a per diem allowance during such training or instruction of not to exceed \$10.

"(b) The Surgeon General shall recommend to the Administrator acceptance of conditional gifts, pursuant to section 501 of the Public Health Service Act, for study, investigation, or research into the cause, prevention, or methods of diagnosis or treatment of heart diseases, or for the acquisition of grounds or for the erection, equipment, or maintenance of premises, buildings, or equipment of the Institute. Donations of

\$50,000 or over for carrying out the purposes of this part may be acknowledged by the establishment within the Institute of suitable memorials to the donors.

"(c) In carrying out the purposes of section 412 grants-in-aid for heart disease research or training projects shall be made only after review and recommendation of the National Advisory Heart Council made pursuant to section 414.

"FUNCTIONS OF COUNCIL

"SEC. 414. The Council is authorized—

"(a) to review research and training projects or programs submitted to or initiated by it relating to the study of the cause, prevention, or methods of diagnosis and treatment of heart diseases, and certify approval to the Surgeon General, for prosecution under section 412, of any such projects which it believes show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis and treatment of heart diseases;

"(b) to collect information as to studies which are being carried on in the United States or any other country as to the cause, prevention, and methods of diagnosis and treatment of heart diseases, by correspondence or by personal investigation of such studies, and with the approval of the Surgeon General make available such information through the appropriate publications for the benefit of health agencies and organizations (public or private), physicians, or any other scientists, and for the information of the general public;

"(c) to review applications from any university, hospital, laboratory, or other institution whether public or private, or from individuals, for grants-in-aid for research or training projects relating to heart diseases, and certify to the Surgeon General its approval of grants-in-aid in the cases of such projects which show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis or treatment of heart diseases;

"(d) to recommend to the Surgeon General for acceptance conditional gifts pursuant to section 501 of this act; and

"(e) to make recommendations to the Surgeon General with respect to carrying out the provisions of this part.

"OTHER AUTHORITY WITH RESPECT TO HEART DISEASES

"Sec. 415. This part shall not be construed as superseding or limiting (a) the functions or authority of the Surgeon General or the Service, or of any other officer or agency of the United States, relating to the study of the causes, prevention, or methods of diagnosis or treatment of heart diseases; or (b) the expenditure of money therefor."

NATIONAL ADVISORY HEART COUNCIL

SEC. 4. (a). Section 217 of such act is amended by adding at the end thereof the following new subsection:

"(f) The National Advisory Heart Council shall consist of the Surgeon General ex officio, who shall be Chairman, and of six members to be appointed without regard to the civil-service laws by the Surgeon General with the approval of the Administrator. The six appointed members shall be selected from leading medical or scientific authorities who are outstanding in the study, diagnosis, or treatment of heart diseases. Each appointed member shall hold office for a term of 3 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. An appointed member shall not be eligible to serve continuously for more than 3 years but shall be eligible for reappointment if he has not served immediately preceding his reappointment."

"(b) Subsection (b) of section 217 of such act is amended to read as follows:

"(b) The National Advisory Health Council shall advise, consult with, and make recommendations to, the Surgeon General on matters relating to health activities and functions of the Service. The Surgeon General is authorized to utilize the services of any member or members of the Council, and where appropriate, any member or members of the National Advisory Cancer Council, the National Advisory Mental Health Council, or the National Advisory Heart Council, in connection with matters related to the work of the Service, for such periods, in addition to conference periods, as he may determine."

(c) The title of section 217 of such Act is amended to read "National Advisory Health, Cancer, Heart, and Mental Health Councils".

(d) Subsection (e) of section 209 of such act is amended to read as follows:

"(e) Members of the National Advisory Health Council, members of the National Advisory Mental Health Council, members of the National Advisory Cancer Council, and members of the National Advisory Heart Council, other than ex officio members, while attending conferences or meetings of their respective Councils or while otherwise serving at the request of the Surgeon General, shall be entitled to receive compensation at a rate to be fixed by the Administrator, but not exceeding \$25 per diem, and shall also be entitled to receive an allowance for actual and necessary traveling and subsistence expenses while so serving away from their places of residence."

(e) Paragraph (d) of section 301 of such Act is amended to read:

"(d) Make grants-in-aid to universities, hospitals, laboratories, and other public or private institutions, and to individuals for such research projects as are recommended by the National Advisory Health Council, or, with respect to cancer, recommended by the National Advisory Cancer Council, or, with respect to mental health, recommended by the National Advisory Mental Health Council, or, with respect to heart diseases, recommended by the National Advisory Heart Council."

(f) Paragraph (g) of such section is amended to read:

"(g) Adopt, upon recommendation of the National Advisory Health Council, or, with respect to cancer, upon recommendation of the National Advisory Cancer Council, or, with respect to mental health, upon recommendation of the National Advisory Mental Health Council, or, with respect to heart diseases, upon recommendation of the National Advisory Heart Council, such additional means as he deems necessary or appropriate to carry out the purposes of this section."

GENERAL PROVISIONS

SEC. 5. (a) Section 2 of the Public Health Service Act is amended by striking out the word "and" at the end of paragraph (l), by striking out the period at the end of paragraph (m) and inserting in lieu thereof "; and", and by inserting after paragraph (m) the following new paragraph:

"(n) The term 'heart diseases' means diseases of the heart and circulation."

(b) The term "National Institute of Health," wherever appearing in the Public Health Service Act, shall be changed to "National Institutes of Health."

(c) The word "title," wherever appearing in sections 403, 404, and 406 of the Public Health Service Act, shall be changed to "part."

Mr. MAGNUSON. Mr. President, reserving the right to object, I should like to ask the distinguished Senator from New Jersey if he is satisfied that the bill is not in conflict in any way with the National Science Foundation bill?

Mr. SMITH. Mr. President, it is not in conflict. The scope of the bill is different. It directly authorizes the research to be done. Under the National Science Foundation bill commissions are established to explore the field and to recommend. I feel that there is no conflict between this bill and the National Science Foundation bill.

Mr. MAGNUSON. Is it similar to the Cancer Institute legislation?

Mr. SMITH. It is identical in its language with the Cancer Institute bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the Public Health Service Act to support research and training in diseases of the heart and circulation, and to aid the States in the development of community programs for the control of these diseases, and for other purposes."

BILL PASSED OVER

The bill (S. 2318) to provide for a coordinated agricultural program, and for other purposes, was announced as next in order.

Mr. AIKEN. Mr. President, this bill should, I believe, go over at this time. I should like to see it passed immediately, without objection, but I realize that it is not possible to do that.

The PRESIDENT pro tempore. The bill will be passed over.

FREE POSTAGE FOR MEMBERS OF ARMED FORCES WHILE IN HOSPITALS

The Senate proceeded to consider the joint resolution (S. J. Res. 193) to grant free postage to members of the armed forces while confined for treatment in a military or naval hospital, which had been reported by the Committee on Post Office and Civil Service, with an amendment on page 1, line 5, after the word "States," to strike out in the parentheses the word "including," and insert "excluding."

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., by the Senate and House of Representatives of the United States of America in Congress assembled, That any first-class letter mail matter admissible to the mails as ordinary mail matter which is sent by (1) a member of the military or naval forces of the United States (excluding the United States Coast Guard), while on active duty or in the active military or naval service of the United States and confined for treatment in a military or naval hospital, and (2) a veteran, while being furnished hospital treatment or institutional care in any hospital or other institution operated by or under contract with the Veterans' Administration, to any person in the United States, including the Territories and possessions thereof, shall be transmitted in the mails free of postage, subject to such rules and regulations as the Postmaster General shall prescribe.

DIGEST OF CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

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CONTENTS

Alcohol.....	13	Forests and forestry....	3,9	Oleomargarine.....	1
Appropriations.....	6,18	Government cafeterias....	22	Personnel.....	11,13
Buildings and grounds....	34	Grain.....	13	Prices, support.....	15
Displaced persons.....	7,28	Housing.....	13,19,30	Property management.....	13
Drainage.....	13	Labor, farm.....	28	Public works.....	17
Education.....	31	Lands.....	4,13	Records.....	8
Electrification.....	25,27,35	Lands, forest.....	3,9	Research.....	13
Emergency powers.....	14	Lands, grazing.....	36	Roads.....	35
Farm program.....	13	Lands, reclamation....	5,10,13,25	Social security.....	21
Federal aid.....	31	Lend-lease.....	18	Soil conservation....	15,26
Fertilizers.....	13	Livestock and meat.....	37	Taxation.....	1
Flood control.....	20,23,29	Marketing.....	13	Territories & possessions.	13
Foreign affairs.....	7,28	Nomination.....	8	Trade, foreign...2,13,14,33	
Relief.....	32			Wildlife.....	24

HIGHLIGHTS: Senate passed bill authorizing payments in lieu of taxes on forest lands on value basis. Senate committee reported bill to repeal oleo taxes. Both Houses agreed to conference report on State, Justice, Commerce, Judiciary appropriation bill. Rep. Pace urged continuation of price supports, ACP, and CCC. Sen. Baldwin introduced bill to create Government cafeterias corporation.

SENATE

1. OLEOMARGARINE TAXES. The Finance Committee reported with amendments H. R. 2245, to repeal these taxes (S. Rept. 1437) (p. 6929).
2. TARIFF. Passed without amendment H. R. 5553, to extend to July 1, 1949, duty-free entry of 9 to 15 inch newsprint (p. 6943). This bill will now be sent to the President.
3. FOREST LANDS. Passed with amendments S. 582, authorizing annual payments to States, territories, and insular governments, for benefit of their local political subdivisions, based on fair value of national-forest lands situated therein (pp. 6943-5). The committee amendments provided for evaluation of forest lands by the Department once every 10 years, and provided for payment of 1% of value in lieu of taxes and in lieu of the present payment of 25% of receipts. Another committee amendment, permitting States and counties to appeal to the district courts if they believe the Department's valuation is wrong, was agreed to in a modified form, recommended by Sen. Cordon, to strike out the authorizations for counties to make such appeals.
Passed as reported S. 1243, which provides for payment of revenues from certain lands, including part of the Mt. Hood National Forest, into the tribal funds of the Confederated Tribes of the Warm Springs Reservation, Oreg. (p. 6951).
4. HAWAIIAN LANDS. Passed without amendment H. R. 3680, to amend the Hawaiian Horics Commission Act so as to permit mercantile establishments in agricultural

- districts, increase from \$3,000 to \$5,000 the maximum loans allowable to any lessee of a tract of agricultural or pastoral land, etc. (p. 6957). This bill will now be sent to the President.
5. RECLAMATION. Passed without amendment H. R. 4954, to authorize the Kennewick Division of the Yakima project, Wash. (pp. 6957-8).
 6. STATE, JUSTICE, COMMERCE, JUDICIARY APPROPRIATION BILL. Both Houses agreed to the conference report on this bill, H. R. 5607, and acted on amendments in disagreement (pp. 6993-4, 7009-18). This bill will now be sent to the President. (For conferees' actions, see Digest 97.)
 7. DISPLACED PERSONS. Continued debate on S. 2242, to provide for admission into the U. S. of such persons (pp. 6973-95).
 8. NOMINATION of Wayne C. Grover to be Archivist of the U. S. was reported favorably from the Post Office and Civil Service Committee (p. 6995).
 9. NATIONAL FOREST. Passed without amendment S. 2617, to include certain lands in the Carson National Forest, N. Mex. (p. 6965).
 10. RECLAMATION. Passed without amendment H.R. 4954, to authorize the construction, operation, and maintenance, under Federal reclamation laws, of the Kennewick division of the Yakima project, Wash. (pp. 6957-8). This bill will now be sent to the President.
 11. PERSONNEL. The Daily Digest states that the Post Office and Civil Service Committee approved for reporting (but did not actually report) the following bills: S. 784, to provide maternity leave for Government employees; S. 2517, to amend the Civil Service Retirement Act relating to annual leave accrued at death; and "voted to approve a measure which Senator Baldwin said he proposed to introduce to establish a Government corporation to take over operations of Government Services, Inc." (p. D566).
 12. FEDERAL AID HIGHWAYS. The Daily Digest states that the Public Lands Subcommittee on Roads...agreed to report to the full committee H.R. 5888, Federal aid to highways" (p. D566).
 13. The following bills were passed over:
 - S. 669, to provide for bonus of 30¢ per bushel for wheat and corn produced and sold between Jan. 1, 1945 and Apr. 18, 1946. (p. 6934).
 - S. 299, to extend the reclamation laws to Ark. (p. 6934).
 - S. 493, to provide for the coordination of agencies disseminating technological and scientific information (p. 6934).
 - S. 430, to amend the Civil Service Retirement Act to include employees of farm-loan associations and production credit associations (p. 6935).
 - H.R. 3834, to authorize the Fort Sumner irrigation district (N.Mex.) rehabilitation project. (p. 6935).
 - S. 2141, to transfer government-owned alcohol plants to USDA. (p. 6936).
 - H.R. 3538, to authorize USDA to investigate and report on projects for reclaiming lands by drainage. (p. 6936).
 - S. 2173, to amend the AAAAct relating to marketing agreements and orders. (p. 6936).
 - S. 1537, to provide salary increases for Federal employees. (p. 6936).
 - H.R. 5275, to provide for free importation of limestone for fertilizer (pp. 6937, 6960, 6965-6).
 - S. 2318, the Aiken long-range farm program bill (p. 6945).
 - S.J. Res. 162, to rescind certain orders of Interior Department establishing Indian reservations in Alaska (p. 6946-9).

S. 2754, to reorganize and simplify the procurement, utilization, and disposal of Government property (pp. 6961-2, 6970).

H. Con. Res. 197, to continue the Joint Committee on Housing beyond Mar. 31, 1948 (p. 6969).

HOUSE

14. EMERGENCY POWERS. Reps. Wolcott, Gamble, Smith (Ohio), Kunkel, Spence, Brown (Ga.), and Patman were appointed conferees on H.R. 6659, to continue until Feb. 28, 1949, certain allocation and export-import controls (p. 7009). Senate conferees appointed May 28.
15. PRICE SUPPORT; SOIL CONSERVATION. Rep. Pace, Ga., urged extension of the price-support program beyond Dec. 31, 1948, as provided in H.R. 6248, continuation of the Commodity Credit Corporation, and extension of the Soil Conservation and Domestic Allotment Act (pp. 7019-20).
16. TREASURY-POST OFFICE SUPPLEMENTAL APPROPRIATION BILL, 1949. Passed as reported this bill, H.R. 6758 (pp. 7018-23). The bill was reported earlier in the day (H.Rept. 2089) (pp. 6996, 7032); and provides funds for Internal Revenue Bureau and certain other agencies for which no provision was made in the regular bill.
17. PUBLIC WORKS; SOIL CONSERVATION. The Agriculture Committee reported without amendment H.R. 5418, to authorize appropriations of \$750,000 for the reconstruction of a land-utilization-project dam on Wolf Creek, Tex., and \$400,000 for the repair of a similar dam, the Rita Blanca Dam, Dalhart, Tex. (H.Rept. 2099) (p. 7032).
18. LEND-LEASE. Received from the President a supplemental appropriation estimate of \$292,000, fiscal year 1949, for liquidation of the lend-lease program (H. Doc. 685) (p. 7032).
19. HOUSING. Reps. Javits (N.Y.) and Blatnik (Minn.) urged passage of the TEW housing bill (pp. 6998, 6999-7000).
20. FLOOD CONTROL. Rep. Bradley, Calif., urged construction of a flood-control dam on the San Gabriel River, Calif. (p. 6999).
Rep. Mack, Wash., urged adequate appropriations to provide an adequate system of flood control along the Columbia River, in view of the recent disaster at Van Port, Ore. (pp. 7000-1).
21. SOCIAL SECURITY. The "Daily Digest" states that the Ways and Means Committee unanimously approved a report of the Subcommittee on Social Security which proposes to "add approximately 3,500,000 persons to the social-security program under provisions of the bill which would permit employees of States and local governments to join in the old-age-insurance plan, if the local governments approve; and permit participation by employees of certain nonprofit organizations now excluded, if their organizations choose. No provisions were made for a general increase in benefits, nor does it provide for any raise in the social-security taxes prior to an automatic increase in 1950" (p. D570).

BILLS INTRODUCED

22. GOVERNMENT CAFETERIAS. S. 2779, by Sen. Baldwin, Conn., to create a Government Corporation to operate cafeterias and conduct certain other activities in Government buildings and on Government property. To Post Office and Civil Service Committee. (p. 6930.) Remarks of author (p. 6931).

23. FLOOD CONTROL. H.R. 6761, by Rep. Gavin, Pa., to authorize the construction of flood-control works in the Allegheny River Basin at Warren, Youngsville, Sheffield, and Oil City, Pa. To Public Works Committee. (p. 7034.)
24. WILDLIFE. H.R. 6762, by Rep. Welch, Calif., "to amend the Alaska game law." To Public Lands Committee. (p. 7034.)
25. RECLAMATION. H.R. 6763, by Rep. Welch, Calif., to consolidate the Parker Dam power project and the Davis Dam project. To Public Lands Committee. (p. 7034)

ITEMS IN APPENDIX

26. SOIL CONSERVATION. Rep. Gathings, Ark., inserted a Crittendon County (Ark.) Times editorial, "Keep Building the Soil" (p. A3616).
27. ELECTRIFICATION. Rep. Douglas, Calif., inserted C.J. Haggerty's (Calif. State Federation of Labor) address and the Central Valley project conference statement of principles on power shortages in Calif. (pp. A3604-6, A3607-8).
28. FARM LABOR; DISPLACED PERSONS. Rep. Multer, N.Y., inserted a N.Y. Herald Tribune article reporting Gov. Dewey's (N.Y.) reactions to entry of displaced persons and need for agricultural workers (pp. A3622-3).
29. FLOOD CONTROL. Rep. Fernandez, N.Mex., inserted an Albuquerque Journal editorial, "Must Have Flood Control" (p. A3599).
30. HOUSING. Rep. Blatnik, Minn., inserted a Washington Post editorial and Rep. McCormack, Mass., inserted a National Legionnaire item favoring the TEW housing bill (pp. A3587-8, A3612-3).
31. FEDERAL AID; EDUCATION. Extension of remarks of Rep. Wheeler, Ga., favoring Federal aid for education and including an Atlanta Constitution editorial on the subject (pp. A3585-6).
32. FOREIGN RELIEF. Extension of remarks of Rep. Keating, N.Y., urging action on his bill to reduce postage rates on relief packages and including Dorothy Thompson's newspaper article on the subject (pp. A3592-3).
33. FOREIGN TRADE. Various remarks and insertions on extension of the Trade Agreements Act (pp. A3609-10, A3614-5, A3627).

BILLS APPROVED BY THE PRESIDENT

34. BUILDINGS AND GROUNDS. H.R. 3219 authorizes the Federal Works Agency to appoint special policemen for duty upon Federal property under the jurisdiction of the FWA. Approved June 1. (Public Law 566, 80th Cong.).
35. ELECTRIFICATION. S. 1305 amends the Federal Power Act so as to provide that the States may apply for reservation of portions of power sites released for entry, location, or selection to the States for highway purposes. Approved May 28 (Public Law 559, 80th Cong.).
36. GRAZING LANDS. S. 1874 authorizes the head of the department or agency using the public domain for national defense purposes to compensate holders of grazing permits and licenses for losses sustained by reason of such use of public lands for national defense purposes. Approved May 28 (Public Law 561, 80th Cong.).

first place, which is the proportionate reduction of local taxes.

Amendments have been recommended by the committee so as to provide for the evaluation of forest lands by the Department of Agriculture once in every 10 years and the certification of such values to the Secretary of the Treasury for the purpose of payment of 1 percent of such values in lieu of taxes and in lieu of the 25 percent payment now provided.

Then the amendment in section 8 gives a right of appeal by States from the values placed by the Secretary of Agriculture. The amendment which I have suggested simply eliminates the right of such appeal by counties, and preserves it only as to States, the purpose being to provide for fewer such appeals and greater facility in the handling of the legislation.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Oregon [Mr. CORDON] to the committee amendment on page 7, line 21.

Mr. RUSSELL. Mr. President, does the Senator from Oregon have any estimate as to the amount which this will cost the Federal Treasury over and above the present system?

Mr. CORDON. In the areas where the Federal Government is acquiring cut-over lands and taking them off the tax rolls, at the present time there is substantially no payment in the western areas, including my own, where there is a rapidly increasing sale of Government lands. In my opinion the time will shortly come when there will not only be no additional money paid as a result of the enactment of this bill, but I am of the opinion that the payment will be less. It will be better, however, because it will be regular, and the local government will know in advance when the payment is to be made, and how much it is.

The report of the Department of Agriculture was favorable on the bill itself, although the percentage of payment recommended by the Department was less than the committee had recommended. The Department recommended three-quarters of 1 percent, and the committee decided upon 1 percent, which is a reduction from the original bill, which provided for 2 percent. I am inclined to believe that in the report of the Department of Agriculture there is a discussion of the amount of money which each plan would cost. I am not familiar with the figures. The cost of the determination of the value of the lands is estimated to be \$1,500,000. The information which the Senator desires is found on page 6 of the report. Payments to the counties would be increased by about \$2,000,000 a year at the present time. Most of that increase would go into areas where the Government itself is purchasing cut-over lands and taking them off the local tax rolls. So the local government is faced with that tax loss, and gets nothing in return until some far time in the future when new forests will have grown on those lands.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from

Oregon [Mr. CORDON] to the committee amendment on page 7, line 21.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The ACTING PRESIDENT pro tempore. That concludes the committee amendments.

Mr. GEORGE. Mr. President, I offer an amendment on page 3, beginning in line 25, to strike out the first proviso in section 3, extending through the word "donation" in line 5, on page 4.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Georgia.

Mr. CORDON. Mr. President, I have no objection to that amendment. I think it helps the bill.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2655) to provide for the common defense by increasing the strength of the armed forces of the United States, including the reserve components thereof, and for other purposes was announced as next in order.

Mr. WHERRY. Mr. President, this bill should be passed over on the call of the calendar. It is intended, at the conclusion of the consideration of the displaced persons legislation, which is the unfinished business, to make this bill the unfinished business of the Senate.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2547) to amend section 3 of the Standard Time Act of March 19, 1918, as amended, relating to the placing of a certain portion of the State of Idaho in the third time zone was announced as next in order.

Mr. JOHNSON of Colorado. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2688) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, was announced as next in order.

Mr. WHERRY. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

LONG-RANGE AGRICULTURAL PROGRAM

The bill (S. 2318) to provide for a coordinated agricultural program was announced as next in order.

Mr. WHERRY. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

Mr. WHERRY subsequently said: Mr. President, I return to Senate bill 2318, Calendar 1346, long enough to state that the objection which I made was in behalf of other Senators. I should like to have the RECORD show that most of the objections which have been made have been made in behalf of other Senators. I see one of the Senators who asked that I object to the bill now in the Chamber. I am wondering if it is his intention that further objection be made.

Mr. RUSSELL. Mr. President, the bill is much too important to consider on the call of the calendar.

Mr. TAFT. Mr. President, this bill is a bill of major importance, which cannot be possibly considered under the 5-minute rule.

Mr. RUSSELL. It is far too important to be considered on the call of the calendar. If the Senator from Nebraska has any hesitancy in asking that the bill go over, I shall ask that it go over.

Mr. WHERRY. I may be asked why I objected to consideration of the bill. I appreciate the observations made by the Senator from Ohio and the Senator from Georgia, as well as other Senators interested in the long-range agricultural program.

SURVEY OF CERTAIN PORTIONS OF CHESAPEAKE & OHIO CANAL FOR CONSTRUCTION OF PARKWAY

The bill (H. R. 5155) to authorize the Secretary of the Interior to have made by the Public Roads Administration and the National Park Service a joint reconnaissance survey of the Chesapeake & Ohio Canal between Great Falls, Md., and Cumberland, Md., and to report to the Congress upon the advisability and practicability of constructing thereon a parkway, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

PROMOTIONS FOR CERTAIN CUSTODIAL EMPLOYEES, POST OFFICE DEPARTMENT

The Senate proceeded to consider the bill (S. 1861) to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide promotions for temporary employees of the custodial service, which had been reported from the Committee on Post Office and Civil Service with amendments, on page 2, line 12, after the words "completion", to strike out "two thousand and twenty-four hours" and insert "twelve months"; and on page 2, line 18, after the word "employed", to insert "Provided further, That when a temporary employee is appointed to a regular position in the custodial service the employee shall be assigned to a salary grade corresponding to his salary as a temporary employee at the time of such appointment. Any fractional part of a year's temporary service accumulated since the last compensation increase as a temporary shall be included with the regular service of a regular employee in determining eligibility for promotion to the next higher grade following appointment to a regular position", so as to make the bill read:

Be it enacted, etc., That subsection (1) of section 14 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended, is amended to read as follows:

"(1) Temporary employees in the custodial service paid on an annual basis shall be paid at the rates of pay of grade 1 of the position

in which employed and shall, at the beginning of the quarter following the completion of 1 year's satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position; and temporary employees in the custodial service paid on an hourly basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the quarter following the completion of 12 months' satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position: *Provided*, That no temporary employee shall be paid at a rate higher than that provided herein for the highest automatic grade of the position in which he is employed: *Provided further*, That when a temporary employee is appointed to a regular position in the custodial service, the employee shall be assigned to a salary grade corresponding to his salary as a temporary employee at the time of such appointment. Any fractional part of a year's temporary service accumulated since the last compensation increase as a temporary shall be included with the regular service of a regular employee in determining eligibility for promotion to the next higher grade following appointment to a regular position."

SEC. 2. Any period of continuous satisfactory service as a temporary employee in the custodial service performed by any such temporary employee prior to the effective date of this act shall be creditable for a promotion to the rates of pay of grade 2 of the position in which such temporary employee is employed.

SEC. 3. This act shall become effective at the beginning of the quarter following the date of enactment.

The amendments were agreed to.

Mr. RUSSELL. Mr. President, can the distinguished chairman of the committee, who reported the bill, tell us something about the nature of this measure?

Mr. LANGER. The bill refers to 600 or 700 of the lowest-paid persons in the civil service, in the Post Office Department. They are custodial employees who work by the hour. The ordinary man working for the Post Office Department receives an increase in pay of \$100 a year at the end of the year. This does not apply to the custodial employees. Their average pay is about \$1,700 a year.

The total cost of the bill is estimated by the Post Office Department to be \$107,000. The number of persons affected will continuously grow smaller, as those working by the hour go on the pay roll as monthly employees.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND RESOLUTION PASSED OVER

The bill (S. 1390) to broaden the cooperative-extension system as established in the act of May 8, 1914, was announced as next in order.

Mr. TAFT. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 5310) to authorize the admission into the United States of persons of races indigenous to Siam and make them racially eligible for naturalization was announced as next in order.

Mr. RUSSELL. Over.

THE ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2589) to provide for extension of the terms of office of the present members of the Atomic Energy Commission was announced as next in order.

Mr. LUCAS. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2664) to authorize the Indian Claims Commission to hear and determine certain claims of the Indians of California was announced as next in order.

Mr. THOMAS of Oklahoma. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6318) to amend section 3 of the Standard Time Act of March 19, 1918 was announced as next in order.

Mr. JOHNSON of Colorado. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 239) reaffirming the policy of the United States to achieve international peace and security through the United Nations and indicating certain objectives to be pursued was announced as next in order.

The ACTING PRESIDENT pro tempore. Obviously the resolution is too important to be taken up under the 5-minute rule. Therefore, the Chair objects, and the resolution will be passed over.

The bill (H. R. 4112) to provide for the acceptance and use of funds for support of the National Weather Service supplementing the funds appropriated for the operation of the Weather Bureau of the Department of Commerce was announced as next in order.

SEVERAL SENATORS. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 4427) to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

INDIAN RESERVATIONS IN THE TERRITORY OF ALASKA

The joint resolution (S. J. Res. 162) to rescind certain orders of the Secretary of the Interior establishing Indian reservations in the Territory of Alaska was announced as next in order.

Mr. LUCAS. Mr. President, may we have an explanation of the joint resolution?

Mr. BUTLER. Mr. President, this is an extremely important piece of legislation. If the development and settlement of Alaska is to go forward, it is essential that we pass this bill. The bill is equally essential to the development of a source of pulpwood for newsprint in the forests of Alaska.

As recently as last Friday, May 21, the President of the United States, in a special message to Congress dealing with the development of Alaska, called for legislation to clear up the chaotic land-title question created by the so-called aboriginal claims of the Indians there. At that time, the Senate Com-

mittee on Interior and Insular Affairs had already had the problem under consideration for some months and had already ordered reported this bill.

In substance, what the bill does is to limit the claims of the tribes there to those areas of land which they actually need and use for their town sites, gardens, and such purposes. It will prevent the Secretary of the Interior from throwing a cloud on all the other land titles in Alaska by declaring that vast tracts of forest and other lands are to be withheld from general use and vested in the Indians in trust as a part of native reservations. At the same time, it will not disturb any existing reservations that have already been established, and it will not deny to the Indians any of their legal rights.

The committee has labored long and earnestly over this measure. We were anxious to do full justice to the Indians. At the same time, we felt we could not permit the Secretary of the Interior to withdraw millions and millions of acres for the exclusive benefit of aborigines who would not know how to use them. That was the problem and the threat that we faced, and that is why enactment of this joint resolution is necessary.

I want to emphasize that the courts have uniformly held that the Indians have no legal right to any land in Alaska based on aboriginal occupancy. Any rights we give the Indians there are purely acts of grace. I believe, and this measure provides, that we should, as an act of grace, give the Indians those lands actually possessed, used, and occupied by them. However, I do not believe we should turn over the bulk of the best land of the Territory, including the timber resources, for the exclusive use of this small group of people to the detriment of those who have legal claims of greater validity. If this joint resolution is not passed, the timber and pulp development of the Territory is likely to be held up for several decades.

Mr. LUCAS. Mr. President, I feel that this joint resolution is too important to be discussed under the 5-minute rule. Therefore, I shall have to object.

The ACTING PRESIDENT pro tempore. Objection being heard, the joint resolution will be passed over.

Mr. MAGNUSON. Mr. President, I ask the Senator from Illinois to withhold his objection long enough to permit me to make a statement in regard to the necessity for having this joint resolution passed at this time.

Last year the Congress took a great deal of time in deliberating in regard to allowing not only the financial interests of the country but also the people of Alaska to develop the pulp and paper industry in southeastern Alaska. After the measure inviting them to do so was passed, it was found, in connection with the proposed financing of pulp and paper mills in this Territory, that there might be some possibility that under the original law the Secretary of the Interior could extend the Indian reservations in Alaska to almost any length. At one time, when Mr. Ickes was Secretary of the Interior, when a statement was made that the Department might extend the

ments, the subcommittee granted \$11,100,000. This savings was possible through elimination of several large construction projects which were requested, the subcommittee feeling that they may have been desirable but not essential, and that it was not wise to permit work which might possibly draw materials and labor from vitally needed housing construction. The remaining funds carried are largely for establishment and improvement of aids to navigation, and for loran and weather stations which are now an essential part of national security.

The Revenue Act of 1948 so confused the situation as regards refunds of internal revenue collections that the Bureau of the Budget and Internal Revenue were not able to present concrete estimates of funds needed, and requested an indefinite appropriation. This was granted, and the language of the bill so provides.

The volume of postal business continues to increase in an unprecedented manner. The subcommittee has, therefore, felt obliged to include some urgently needed funds so that handling and delivering of the mail will not be impaired.

The bill is sound, economical, and will serve the public well. I hope that the House will pass it in its present form.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to my distinguished colleague from New Jersey.

Mr. HAND. May I say to my friend that I have no responsibility, of course, in connection with this appropriation bill, but I do have responsibility generally in connection with the Coast Guard.

Mr. CANFIELD. I am aware of the fact that the gentleman from New Jersey is chairman of the Subcommittee on the Coast Guard of the House Committee on Merchant Marine and Fisheries.

Mr. HAND. I am delighted to say that in my opinion the gentleman and his committee have done a very conscientious and a very splendid job as far as appropriations for the Coast Guard are concerned. I have gone over the bill and have read the report with great care. I notice also that you believe, and I think rightly so, that there should be some general mandate and some general limitation made by the Congress so that the Coast Guard will know once and for all exactly what their duties are.

May I further say to the gentleman that I particularly congratulate him and his committee on their responsibility in connection with the preparation of the Ebasco report. I think that is an intelligent way to handle these appropriation problems. I think you have done a very splendid job in connection with these appropriations.

Mr. CANFIELD. I know I speak for the committee when I thank the gentleman from New Jersey. I am also mindful of the fact that he is very close to the Coast Guard because of his assignment on the House Committee on Merchant Marine and Fisheries in charge of Coast Guard legislation.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. HESELTON. As the gentleman knows, I have discussed with him and the clerk of the committee again the question of whether there is contained in this bill any appropriation for the purpose of installing new oil-burning equipment or converting from coal- to oil-burning equipment. While it is my understanding there is not, and therefore there would be no need of my pursuing the matter further, I know the gentleman and I are in full accord as to the desirability of making certain now that we carry on this conservation program during our absence in the recess, and that the Government also carries that on. I have in mind the item on page 10 that calls for the construction and rebuilding or extension of shore facilities, which I think is explained in the committee report as including only \$285,000 for lifeboat stations, which call for no heating whatsoever.

Mr. CANFIELD. The understanding of the gentleman from Massachusetts is correct.

Mr. HESELTON. May I say further that the committee report points out clearly that the "equipment shops," an item of \$13,000,000 on page 12, line 6, refers to mail bags, and the "Equipment, public buildings, \$532,000," in line 7, does not include any proposed installation or conversion such as we have been discussing.

Mr. CANFIELD. That is correct. I think the gentleman from Massachusetts recalls the statement I made on the floor of the House when the regular supply bill for the Treasury and Post Office Departments was before us, and the letter from the Postmaster General, which I had incorporated into the RECORD at that time.

Mr. HESELTON. I do. I think the action of the gentleman from New Jersey [Mr. CANFIELD] and the entire committee is to be hailed with commendation by everyone in the Congress, both in connection with that in particular and with relation to the over-all matter.

Mr. CANFIELD. I thank the gentleman.

Mr. JONES of Washington. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Washington.

Mr. JONES of Washington. We can all recall the terrible upheaval we had in the Customs Service last year when they laid off several hundred people, who were later restored to the service. It was discovered that it was the largest appropriation per personnel in the history of the Customs Service. Coming from the great seaport city of Seattle and the Canadian border nearby, I have had considerable experience with that. The budget this year as it is set up shows no reduction in force whatsoever, as I understand it.

Mr. CANFIELD. Not only that, but may I say to the gentleman from Washington the Customs Service did a remarkable job last year as a result of a survey made by itself, and also with the McKinsey & Co. survey which was made at the instance of the Congress. They

discovered not only that they could live on those appropriations, but they could effect a \$520,000 cut in their request for 1949. They applied themselves and did a job. I wish to take this opportunity to salute the Secretary of the Treasury, the Acting Commissioner of Customs, and the Bureau of the Customs, for applying themselves in the interest of the American taxpaying public and turning in a real performance.

Mr. JONES of Washington. The gentleman and his committee have done an outstanding job in preparing this budget which has been presented to us here today.

Mr. CANFIELD. I thank the gentleman. I know the gentleman from Washington is pleased over the fact that the Coast Guard is now operating in his part of the country, which is suffering the devastating floods of the last few days. They are always there—semper paratus—when an emergency or disaster occurs.

Mr. Chairman, I reserve the balance of my time.

Mr. GARY. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the chairman of the committee has very ably explained this bill. I do not think there is anything left that I can say except to pay tribute to the chairman of the committee. We have before us in this bill two departments of Government, one the Coast Guard and the other the customs department, both of which have had a management survey. The outside agencies that made these surveys submitted very lengthy and comprehensive reports. Our chairman took those reports and made a thorough study of them. When the various representatives of the departments came before the committee our chairman was thoroughly familiar with all of the recommendations in the reports, and he questioned the witnesses at length with reference to the proposed changes. We have here a report that has been very thoroughly considered. The only objection is that the chairman worked so hard over it that I was afraid at one time he would not be able to be present today to explain it. I certainly want to pay tribute to him for the work that he has done.

Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PACE. Mr. Chairman, it is my understanding that it is the plan of the Republican leadership to try to complete the work of the present Congress and adjourn not later than June 19. This means that we now have less than 3 weeks in which to consider and take final action with respect to numerous measures of great national and international importance.

The calendar of measures to be considered during these remaining days of the session will, of course, be arranged by the Republican leadership, and it is my desire to cooperate with that leader-

ship in any way I can in their effort to bring before the Congress those measures requiring consideration during the present session.

I, therefore, desire to bring to the special attention of the leadership and to each Member of the House the legislative situation with respect to agriculture. Three laws will expire before the Eighty-first Congress convenes next January, and it would be most disastrous should the Congress fail during the remaining days of this session to take appropriate action for extending these laws.

The present 90 percent of parity support price program would expire on the 31st of December. If this program is not extended it will mean that the only support available for the so-called basic commodities will be that contained in the Agricultural Adjustment Act, ranging from 50 to 75 percent of parity as determined by the Secretary of Agriculture in his discretion, except in the case of tobacco where no limits are prescribed and the support would rest entirely in the discretion of the Secretary of Agriculture. The farmers of the Nation are entitled to a more definite assurance of what protection they might expect with regard to their 1949 crops, and I urge the leadership to call up for early consideration the bill H. R. 6248, reported by the House Committee on Agriculture. But in addition, if proper action is not taken within the next few days there will be no support program whatever for the so-called Steagall commodities, including hogs, chickens, dairy products, soy beans, flax seed, potatoes, and so forth. Certainly the leadership will not want this Congress to adjourn without giving the producers of these commodities the protection to which they are rightfully entitled.

Secondly, the present authority for the Commodity Credit Corporation will expire at the end of this month. As most of you know, that is the agency which carries out the support program operations. The House and Senate Committees have reported legislation to change the authority and operation of the Commodity Credit Corporation and there are some serious differences in the views of the two committees. Early consideration must be given to these measures because if the two bodies are not able to reconcile their differences without delay then it is very necessary that the Commodity Credit Corporation as at present constituted be extended for at least another year. If that is not done it is doubtful that the support program for the 1948 crop can operate.

The third and equally important law which expires in the Soil Conservation and Domestic Allotment Act. It will expire on December 31, before the next Congress convenes, and certainly this Congress will not stand by and permit this program, which is meaning so much to the preservation and restoration of the fertility of our soil, to be interrupted for one hour. Here, too, both Houses have measures under consideration which propose substantial changes in the present soil conservation program. These differences may become irreconcilable and I seriously doubt that in the

light of these differences and the enormous importance of the subject the Congress can intelligently rewrite this program during the remaining days of this session. I, therefore, think that immediate consideration should be given to this extension of the present law in order to avoid the remote possibility that the Congress might adjourn without doing so.

I have never permitted myself to become partisan in my views or to act in a partisan manner in questions involving the welfare of the farmers of this Nation. I think their welfare should be kept above the level of partisan policies. My own committee has always kept its considerations above that level. What I say now is merely for the purpose of calling attention to the situation, of sounding a warning and expressing the earnest hope that early and favorable consideration will be given to these measures.

~~Mr. H. CARL ANDERSEN.~~ Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. H. CARL ANDERSEN. I wish to compliment the gentleman from Georgia on calling attention to the great necessity of securing the reenactment before December 31 of our price-support system. I think, Mr. Chairman, it is the one most important thing as far as agriculture is concerned pending today in Congress.

Mr. PACE. I share the views of the gentleman from Minnesota that the support program is the heart of the farm program and I think, as I have indicated here, we must not only extend the support-price program, but the life of the Commodity Credit Corporation and the life of the Soil Conservation and Domestic Allotment Acts. These three measures I believe, and I am sure the distinguished gentleman from Minnesota shares the belief, are of the utmost importance to the farmers of this Nation.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct.

Mr. CANFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. SEELY-BROWN].

Mr. SEELY-BROWN. Mr. Chairman, as one who has a deep personal affection for and a sincere interest in the activities of the Coast Guard I join in paying very real tribute to the committee for the job they have done.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield at that point?

Mr. SEELY-BROWN. I am glad to yield.

Mr. CANFIELD. None knows more than the chairman of this subcommittee of the affection of the gentleman in the well of the House for the Coast Guard because I can bear this witness: He has been after me every day during this last year pressing his concern over this item. I cannot help but feel that he is pleased with the action taken by the subcommittee.

Mr. SEELY-BROWN. I thank the gentleman. I can very honestly say that the gentleman's sincere interest, his detailed study and his spirit of cooperation have certainly brought much-to-be-desired results. I believe one of the most

important findings made by the committee was that the Coast Guard is without a clear mandate from the Congress regarding the scope and nature of its functions and that the Congress should provide such a mandate as soon as possible. I heartily endorse this recommendation of the committee.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. SEELY-BROWN. I yield.

Mr. HAND. I wonder if I might not add to the words spoken a moment ago by the chairman of the subcommittee by saying that the gentleman from Connecticut [Mr. SEELY-BROWN] represents the district in which the Coast Guard Academy is located. The gentleman is and has been alert to the needs of the Coast Guard and devoted himself unsparingly to it. The Coast Guard, the committee, and the Congress are indebted to the gentleman and they and the committee show their confidence in the gentleman by what they have incorporated in this bill.

Mr. SEELY-BROWN. I thank the gentleman.

Mr. GARY. Mr. Chairman, I yield 12 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, in March of last year the House considered a bill making appropriations for the Treasury and Post Office Departments for the fiscal year 1948. An item in that bill provided funds for the payment of tax refunds.

In the committee report of March 7, 1947, page 15, it was correctly stated that the previous Congress had provided whatever amount was necessary to make such refunds. I would like to read two sentences from last year's report:

In the current appropriation act for the Treasury Department an indefinite appropriation was made for these refunds of tax collections. The language of the bill carrying this appropriation stated, "There is hereby appropriated such amount as may be necessary."

Mr. Chairman, that was a correct statement of the procedure of the previous Congress. But being dissatisfied with this procedure at that time, the committee went on to say:

Believing in the principle that all appropriations should be stated in a definite amount and subject to definite control by Congress, the committee has made a specific appropriation of this item and has provided a total of \$1,231,000,000 to meet these payments.

Mr. Chairman, the Congress followed the recommendation, and this action represented a claimed reduction of \$800,000,000, the largest claim to economy made by the Congress last year. From this one small division of the Bureau of Internal Revenue was cut \$800,000,000 and it was listed in a Nation-wide broadcasts, in literature sent out over the length and breadth of the country, as the largest reduction of the budget made by the first session of the Eightieth Congress. Indeed, the committee report claimed this as a budget reduction:

This is a reduction in budget estimates and is the committee's best estimate as to what these refunds may amount to.

DIGEST OF CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

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For actions of June 4, 1948
50th-2nd, No. 101

CONTENTS

Adjournment.....	16,34	Flood control.....	35,38,44	Minerals.....	26
Agricultural appropri- ation bill.....	2	Foreign affairs.....	10,17	Personnel.....	8,27
Alcohol.....	20	Relief.....	1,41	Prices, support.....	9,16
Appropriations.....	1,2,4,6,47	Forests and forestry.....	23	Purchasing.....	6
Auditing.....	32	Government cafeterias.....	18	Relief.....	15,36
C.C.C.....	16,22	Health.....	5,17,37	Research.....	12,20,42
Cooperatives.....	48	Housing.....	46	Selective service.....	30
Dairy industry.....	1	Lands.....	11,25	Social security.....	33
Displaced persons.....	10	Lands, forest.....	23,25	Sugar.....	22
Education.....	45	Lands, grazing.....	28	Territories and pos- sessions.....	7,31,43
Electrification.....	29	Lands, reclamation.....	29	Trade, foreign.....	21,24,39
Emergency powers.....	24,40	Legislative program.....	16	Travel.....	13
Fertilizers.....	3,40	Loans, farm.....	18	Water, pollution.....	14
		Machinery, farm.....	1,21		

HIGHLIGHTS: House passed foreign-aid appropriation bill. House sent agricultural appropriation bill to conference. House Rules Committee cleared price-support bill. House committee reported Science Foundation bill. Senate committee reported bill to establish Government cafeterias corporation. Senate agreed to conference report on bill extending certain allocation and export-import controls. Senate committees approved bills to increase farm-tenant-loan interest rates, transfer alcohol plants to USDA, and authorize certain CCC sugar-producer claims.

HOUSE

1. **FOREIGN-AID APPROPRIATIONS.** Passed with amendments H. R. 6801, the 1949 foreign-aid Appropriation Bill (pp. 7335-86). The resolution providing for consideration of the bill was agreed to by a 329-22 vote (p. 7340).

Agreed to the following amendments:

- By Rep. Andersen, Minn., limiting the amount which may be spent for farm machinery from these appropriations to \$50,000,000 (pp. 7374-7).
- By Rep. Murray, Wis., providing that at least \$65,000,000 of these appropriations be spent for acquiring in the U. S. nonfat dry milk solids, by a 61-58 vote (p. 7381).
- Clarifying amendments by Reps. Taber and Judd (pp. 7380, 7384).

Rejected the following amendments:

- By Rep. Dirksen, Ill., to provide that the ERP funds be available for a year instead of 15 months, by a 113-148 vote (pp. 7363-71).
- By Rep. Celler, N. Y., prohibiting these funds from being provided to Britain, by a 12-145 vote (pp. 7377-80).
- By Rep. Hope, Kans., to amend the provision that none of the funds be used to purchase goods at more than the market price except those commodities in possession of CCC and which have been acquired under the Steagall amendment. The proposed amendment, which was defeated 59-69, would have made this exception applicable to "any price support or stabilization

program" which might take the place of the Steagall amendment. (p. 7381.)

Rejected a notion, by Rep. Cannon, Mo., to recommit the bill with instructions that it be reported with the Dirksen amendment (p. 7386).

2. AGRICULTURAL APPROPRIATION BILL. Agreed, 204-140, without amendment to H. Res. 624, providing for a conference on this bill, H. R. 5883. Reps. Dirksen, Plumley, Andersen, Horan, Phillips, Cannon, Sheppard, and Whitten were appointed conferees. (pp. 7328-33.) Senate conferees were appointed May 25.
3. FERTILIZER. Rep. Brown, Ga., discussed the provisions of H. R. 6659 (emergency-powers continuation) regarding fertilizer materials (p. 7328).
4. LEGISLATIVE APPROPRIATION BILL. House conferees were appointed on this bill, H. R. 6500 (p. 7331). Senate conferees were appointed June 3.
5. HEALTH. Received the conference report on S. J. Res. 98, providing for U. S. participation in the World Health Organization (p. 7335).
6. TREASURY-POST OFFICE APPROPRIATION BILL. Received the conference report on this bill, H. R. 5770 (pp. 7386-8). The conferees agreed to \$1,275,000 for Bureau of Federal Supply (House figure; Senate figure, \$1,310,000); agreed to the Senate amendment providing funds to increase the general supply fund, but reduced the Senate figure from \$3,000,000 to \$1,500,000. The provision on typewriter purchases was reported in disagreement.
7. ALASKA DEVELOPMENT. Received from FWA a proposed bill "to authorize a program of useful public works for the development of the Territory of Alaska"; to Public Lands Committee (p. 7392).
8. PERSONNEL. The Post Office and Civil Service Committee submitted a report on "organization functions and relative costs of personnel officers" (H. Rept. 2198)(p. 7392).
9. PRICE SUPPORTS. The Rules Committee reported a resolution for consideration of H. R. 6248, to continue and amend the price-support program (p. 7341).
10. DISPLACED PERSONS. The Rules Committee reported a resolution for consideration of H. R. 6396, to permit entry into the U. S. of displaced persons (p. 7392).
11. PUBLIC LANDS. The Public Lands Committee reported with amendment H. R. 5555, to amend the act of 1938 providing for purchase of public lands for home and other sites (H. Rept. 2212)(p. 7392).
12. SCIENCE FOUNDATION. The Interstate and Foreign Commerce Committee reported with amendments H. R. 6007, to create a National Science Foundation (H. Rept. 2223)(p. 7393).
13. TRAVEL. The Interstate and Foreign Commerce Committee reported without amendment H. R. 6136, to amend the act authorizing Interior to encourage travel in the U. S. (H. Rept. 2221)(p. 7393).
14. The Rules Committee reported a resolution for consideration of S. 418, to provide for WATER POLLUTION control (p. 7393).
15. INDIAN RELIEF. The Public Lands Committee reported without amendment H. R. 6660, to improve conditions among the Navajo Indians (H. Rept. 2212)(p. 7392).

CONSIDERATION OF H. R. 6248

JUNE 4, 1948.—Referred to the House Calendar and ordered to be printed

Mr. ALLEN of Illinois, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 638]

The Committee on Rules, having had under consideration House Resolution 638, report the same to the House with the recommendation that the resolution do pass.



House Calendar No. 242

80TH CONGRESS
2D SESSION

H. RES. 638

[Report No. 2200]

IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 1948

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That immediately upon the adoption of this
2 resolution it shall be in order to move that the House resolve
3 itself into the Committee of the Whole House on the State
4 of the Union for the consideration of the bill (H. R. 6248)
5 to authorize the Secretary of Agriculture to stabilize prices
6 of agricultural commodities; to amend section 22 of the
7 Agricultural Adjustment Act, reenacted by the Agricultural
8 Marketing Agreement Act of 1937; and for other purposes,
9 and all points of order against said bill are hereby waived.
10 That after general debate, which shall be confined to the
11 bill and continue not to exceed one hour, to be equally
12 divided and controlled by the chairman and ranking minority

80TH CONGRESS
2D SESSION

H. RES. 638

[Report No. 2200]

RESOLUTION

Providing for the consideration of the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

By Mr. ALLEN of Illinois

JUNE 4, 1948

Referred to the House Calendar and ordered to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 7 (legislative day, JUNE 1), 1948

Ordered to lie on the table and to be printed

Mr. LUCAS submitted the following

AMENDMENTS

Intended to be proposed by Mr. MAGNUSON to the bill
(S. 2318) to provide for a coordinated agricultural program,
viz:

1 On page 49, line 7, between the words "revenues" and
2 "for" insert the words "and funds".

3 On page 81, line 17, after the word "*Provided*," insert:
4 "That the foregoing provision shall not prohibit Commodity
5 Credit Corporation from carrying out any operation to sup-
6 port the price of any such perishable, nonbasic agricultural
7 commodity to the extent that the reserve for the postwar
8 price support of agriculture established pursuant to the First
9 Supplemental Surplus Appropriation Rescission Act of 1946
10 (60 Stat. 8) and such other funds as are specifically appro-
11 priated for agricultural price support are sufficient to cover
12 any losses which may be incurred in connection with such
13 operation: *Provided further*,".

80TH CONGRESS
2D SESSION

S. 2318

AMENDMENTS

Intended to be proposed by Mr. Magnuson to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 7 (legislative day, JUNE 1), 1948

Ordered to lie on the table and to be printed

previous authorizations.

"Section 3 (c) of the bill, as amended, modifies the present provision as to when the construction work on forest development roads and trails shall be advertised and let to contract as compared to doing the work by force account by changing the amount of the estimated cost per mile when such construction work must be let to contract from \$5,000 or more per mile to \$10,000 or more per mile..."

The committee also reduced the annual authorization for Federal-aid highways from \$500,000,000 to \$400,000,000 and made certain other changes in these provisions.

9. PERSONNEL. Passed without amendment S. 2517, to amend the Civil Service Retirement Act to provide benefits to survivors of employees who had leave to cover the period subsequent to death to Mar. 1, 1948 (p. 7878).
10. RECLAMATION. Passed as reported H. R. 3218, to authorize an emergency fund for the Bureau of Reclamation to assure continuous operation of its systems (p. 7879).
Passed as reported S. 2286, to provide for nonreimbursable allocations on the Carlsbad project (p. 7879).
11. GRAZING LANDS. Passed without amendment H. R. 6073, to amend the Taylor Grazing Act so as to authorize the Government to accept contributions of land, and of money for improvements thereto, outside of grazing districts (p. 7880).
This bill will now be sent to the President.
12. CAFETERIAS. After discussion, passed over, at the request of Sen. Ball, S. 2779, to create a Government Services Corporation to manage cafeterias, etc., in Federal buildings (p. 7882).
13. FARM LOANS. Passed without amendment H. R. 6114, to amend title I of the Bankhead-Jones Farm Tenant Act, as amended, so as to increase the interest rate by $\frac{1}{8}\%$, to provide for redemption of nondelinquent insured mortgages, to authorize advances for preservation and protection of the insured loan security, etc. (p. 7884). This bill will now be sent to the President.
14. FOREST LANDS; RURAL REHABILITATION. Passed without amendment H. R. 6113, to transfer a tract of Wis. Rural Rehabilitation Corp. land to the Forest Service (p. 7884). This bill will now be sent to the President.
15. LAND TITLES. Passed without amendment S. 2413, to remove the 10-year limitation on adjustment of land titles by the Secretary of Agriculture (p. 7884).
16. MINERALS. Passed as reported H. R. 4856, to delay liquidation of mineral interests reserved to the U. S. as required by the Farmers' Home Administration Act (p. 7884).
17. SUGAR PAYMENTS. Passed without amendment H. R. 5174, to authorize OCC to make adjustment payments to certain producers of raw cane sugar in Puerto Rico and Hawaii (p. 7886). This bill will now be sent to the President.
18. The following were included among the bills passed over:
S. 784, to provide maternity leave for Government employees (p. 7888).
S. 2279, to amend the Civil Service Retirement Act so as to extend benefits to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered twenty-five years of service

but prior to attainment of age 55 (p. 7889).

S. 2839, to extend for 5 years the authority to provide for the maintenance of a domestic tin-smelting industry (p. 7889).

19. NATIONAL FORESTS. Concurred in House amendments to S. 1090, to remove the limitation governing exchanges of certain lands in the Superior National Forests, Minn., to safeguard and consolidate areas of exceptional public interest (p. 7765, June 9). This bill will now be sent to the President.

HOUSE

20. PRICE SUPPORTS. The "Daily Digest" states that the Agriculture Committee considered H.R. 6248, the price-support bill, and agreed to a "committee amendment, to be offered by Representative Hope, supporting until June 30, 1950, Irish white potatoes harvested before January 1, 1949, milk and its products, hogs, chickens, and eggs at 90 percent of 1948 parity" (p. D629). H.R. 6248 and the CCC charter bill, H.R. 6263, are to be considered on the floor toady, June 11 (p. D629).

Rep. Murray, Wis., criticized the price-support program, claiming that the "Agricultural Department is now bushing the potato farmers of my State out of thousands of dollars...[and] cannot even operate a short-range agricultural program" (p. 7905).

21. HOUSING. The "Daily Digest" states that the Banking and Currency Committee ordered reported (but did not actually report) H.R. 6841, amending the National Housing Act, and that as reported the bill would include the "following titles of S. 866, the T-E-W housing bill: Title III, program of research and development by Housing and Home Finance Administration; title V, slum clearance and urban development; section VI, low-rent housing; and title VII, rural housing" (p. D629).

Passed without amendment S.J. Res. 231, authorizing \$10 million for stop-gap emergency housing in the Columbia River flood disaster area (pp. 7913-4). Passed by the Senate earlier in the day. This measure will now be sent to the President.

22. DISPLACED PERSONS. Began debate on H.R. 6396, to provide for the admission of 200,000 displaced persons within 2 years (pp. 7906-13, 7915-54).

23. TAXATION. The Rules Committee reported a resolution for the consideration of H.R. 6712, to provide for revenue revision and to correct tax inequities by making administrative and technical amendments to the Internal Revenue Code (pp. 7915, 7962).

24. PERSONNEL. The Post Office and Civil Service Committee ordered reported (but did not actually report) H.R. 5715, extending retirement benefits to employees who were involuntarily separated during the period from July 1, 1945 to July 1, 1947, after 25 years of service prior to attainment of age 55; and H.R. 6641, to amend the Civil Service Retirement Act to provide annuities for certain surviving spouses of annuitants retired prior to Apr. 1, 1948 (pp. D629-30).

Reps. Kirsten (Wis.) and Lyle (Tex.) spoke in favor of pay increases for Federal employees (pp. 7903, 7904).

Received citizens' petitions favoring pay increases for Federal employees (p. 7963).

25. OLEOMARGARINE. Rep. Rivers, S.C., urged passage of the bill to repeal taxes on oleomargarine (p. 7904).

26. HEALTH. The Interstate and Foreign Commerce Committee ordered reported

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 10 (legislative day, JUNE 1), 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. COOPER to the bill (S. 2318)
to provide for a coordinated agricultural program, viz: On
page 80, between lines 22 and 23 insert the following:

- 1 (5) Notwithstanding the foregoing provisions of this
- 2 section, the level of price support to cooperators for any
- 3 crop of tobacco for which marketing quotas are in effect
- 4 shall be 90 per centum of its parity price as of the beginning
- 5 of the marketing year.

S. 2318

AMENDMENT

Intended to be proposed by Mr. Cooper to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 10 (legislative day, JUNE 1), 1948

Ordered to lie on the table and to be printed

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

OLEOMARGARINE

Mr. MURRAY of Wisconsin. Mr. Speaker, I do not like to violate the rules in any way in talking about anyone on the other side of the Capitol because I realize they have problems of their own. I just wondered if we have not some other legislative problem in America besides this oleo business.

Ever since the House passed that oleo bill, whenever I sneeze or any time I cough, or move my head, somebody thinks I am angry at somebody about that oleo business. I do say, though, that any time 26 oleo manufacturers in this country can stampe the this House into doing what they did it is time that we all stopped, looked, and listened.

There is another question coming up here tomorrow. Another group has taken it upon itself to tell the agricultural people of this Nation what we need to do in regard to the peanut program. If we are going to legislate just because some group has five or ten millions to throw around, indeed, we most assuredly had better stop, look, and listen.

The President criticizes the Congress for not passing a long-range agricultural program but he cannot even administer the short-range one. His Agricultural Department is now bushing the potato farmers of my State out of thousands of dollars. The present Agricultural Department cannot even operate a short-range agricultural program. It has been so demonstrated time after time.

That is all I have to say on the subject at the present time, Mr. Speaker.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1949

Mr. TIBBOTT. Mr. Speaker, I call up the conference report on the bill (H. R. 6500) making appropriations for the legislative branch for the fiscal year ending June 30, 1949, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the full report.

The Clerk read 'he title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

(For conference report and statement, see proceedings of the House of June 9, 1948.)

Mr. TIBBOTT. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, at the outset I wish to state that the members of our subcommittee as well as all Members of the House are happy over the advancement of our distinguished chairman, the gentleman from Indiana [Mr. JOHNSON], to the position of judge of the Court of Customs and Patent Appeals.

Mr. Speaker, this is the bill appropriating funds for the legislative branch for fiscal year 1949, and I do not believe it

necessary for me to take more than just a few seconds to comment on the conference report. The bill as it came back from the Senate made very little change in money in the House bill. Many of the amendments pertain to appropriations for the Senate and in accord with custom of many years standing we have recded on them with the exception of one or two where the Senate withdrew.

The Senate amended only three items under the Library of Congress. The amount involved in those three is small as carried in the report. Because some Members of the House have evidenced interest in continuation by the Library of the publication known as the United States Quarterly Book List, I might say that the report recommends the amount of \$24,571 requested for that purpose. We also allowed a small increase over and above the House figure for the Copyright Office to more adequately handle its business. The Senate added \$200,000 for the Superintendent of Documents and we have agreed on one-half of that figure.

Over all, there was very little at issue in the bill and, as I mentioned, many of the changes pertain to Senate items. I think that about covers the report briefly and that I need not take further time to go into minute details.

Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, following the passage of the legislative appropriation bill in both the House and Senate, but immediately preceding the meeting of the committee of conference, the chairman of the subcommittee, the gentleman from Indiana [Mr. JOHNSON] was appointed by the President of the United States to the bench of the Court of Customs and Patent Appeals.

And I am certain it was a matter of gratification to every Member of the House—to all of whom he had endeared himself during his useful service here—that he was paid the compliment of being confirmed immediately upon presentation of his name to the Senate.

It is a matter of regret that Mr. JOHNSON leaves the House and especially that he is retiring as chairman of the subcommittee on the legislative appropriation bill, in which capacity he has served so ably and so effectively.

But, he is particularly qualified for a position on the bench. He is an eminent lawyer. He has had for many years a wide and lucrative practice. He has to an exceptional degree the judicial turn of mind. We are sorry to see him go but we congratulate him upon this well-deserved appointment and we wish for him continued success in his new field and in his new jurisdiction.

Fortunately he is succeeded as chairman of the subcommittee by the gentleman from Pennsylvania [Mr. TIBBOTT]. Mr. TIBBOTT succeeds to the chairmanship after distinguished service on the committee and the subcommittee. He is not only one of the most useful members of the Committee on Appropriations but is one of the most useful Members of the House. I have sometimes wondered why he was willing to stay in the House and

devote his time and attention to public matters when he could secure greater financial returns elsewhere.

He is president of a national bank, and has important business interests, and no doubt serves here at personal financial sacrifice.

We are fortunate in having the advantage of his counsel and cooperation on this bill. He brings to the House and to the Committee on Appropriations and to this particular bill—the housekeeping bill of the Congress—the business experience, capacity and ability in business affairs so much in demand in the management of the supply bills of the House.

The United States Government is, in effect, a huge business corporation. It is the biggest business in the world. And contrary to the impression the average citizen sometimes gets in reading the newspapers, the principal problems which come before the House are not political problems. They are business problems, economic problems, problems of the very character which the new chairman of the subcommittee is particularly qualified to handle.

His capacity in that respect was demonstrated yesterday when he was in charge of the House managers in the conference on the pending bill for the first time and secured a concession I have never known to be secured before in any conference between the two Houses which I have attended.

It is customary—and properly so—for each body to manage its own domestic affairs and to determine its own housekeeping appropriations. That custom has been held inviolate for many years. The House and the Senate respectively handle their own housekeeping expenditures. But yesterday in the conference on the pending bill, for the first time, so far as I am aware, in the history of conferences between the two bodies, the new chairman the gentleman from Pennsylvania, prevailed upon the other body to modify its own amendments.

He assumes office under a happy augury, and we can look forward to a businesslike administration of the fiscal affairs of the House under his chairmanship. That is especially true of the bill now before us. Naturally there is always some difference of opinion on any bill of this character, but I believe the bill reported by the gentleman from Pennsylvania [Mr. TIBBOTT] is in general as good a bill as can be written under the circumstances, and trust it will have the approval of the House.

Mr. TIBBOTT. Mr. Speaker, I thank the gentleman from Missouri for his kind words. Without his able assistance we would not have been able to do many of the things that are done in this bill.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to. A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. FORAND asked and was given permission to extend his remarks in the RECORD and include a report of the Con-

gressional Board of Visitors to the Coast Guard Academy at New London, Conn.

Mr. MILLER of Nebraska, Mr. DEVITT, and Mr. KNUTSON asked and were given permission to extend their remarks in the RECORD.

Mr. YOUNGBLOOD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE LATE THOMAS L. OWENS

Mr. YOUNGBLOOD. Mr. Speaker, although the solemnity of my topic is so exalted as to challenge one's powers of expression it is with deep regret that I returned to Washington, after a brief visit to my people, sadly to find that my dear, good colleague, Tom Owens, had left this world for the Great Beyond.

Tom, as I always called him, and I usually concurred with one another along all lines of endeavor and both being new Members this brought us that much closer together.

In spite of the fact that we all knew Tom to be an exceptionally hard worker, despite the knowledge that he had been hovering between life and death for a number of days, we all had a fervent prayer on our lips at hope that the Almighty God in his wisdom would see fit to grant him a new lease on life and return him to health so that he would be able to carry on his great contribution of happiness by his ardent labor for those less fortunate than himself.

Although he has gone in body, his spirit has inscribed indelibly on our hearts and minds something more beautiful in life to aim for always.

His name and image shall be enshrined in the archives and annals of history as one who has given his life for his fellow man as Tom, beyond all reasonable doubt, would have lived on had he not overtaxed his mind and body by meritorious works which shall never die.

To his family, I want to say that these are most difficult words I have had to say since I have been a Member of the House of Representatives.

CORRECTION OF RECORD

Mr. BREHM. Mr. Speaker, in my remarks on page 7367 of the RECORD of June 4, at the bottom of the third column, I used the figure "\$2,000,000,000," whereas the RECORD shows "\$1,000,000,000." I ask unanimous consent that the RECORD be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DISPLACED PERSONS

Mr. HERTER. Mr. Speaker, I call up House Resolution 637 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R.

6396) to authorize for a limited period of time the admission of displaced persons into the United States for permanent residence, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of the bill (H. R. 6396) it shall be in order in the House to take from the Speaker's table bill S. 2242, and to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions contained in H. R. 6396 as passed.

Mr. HERTER. Mr. Speaker, this resolution makes in order the consideration of the bill H. R. 6396, the so-called displaced-persons bill. The rule is an open rule, providing for 3 hours of general debate.

This displaced-persons bill has been reported from the Committee on the Judiciary as a result of many months of study on some 20 different pieces of legislation which were introduced by various Members of the House. The subcommittee, headed by the distinguished gentleman from Maine, Mr. FRANK FELLOWS, not only held extensive hearings, but went into exhaustive research on the entire matter. I think the subcommittee and the whole Committee on the Judiciary are deserving of a real vote of gratitude from this House. They have taken an extremely difficult, complicated, and controversial subject and, in my opinion, at least, have produced a piece of legislation which is admirable in every respect. In my opinion it is infinitely better than the bill dealing with the same subject matter which is now on the Speaker's desk, having come over from the other body. I am naturally hopeful that this bill will become the final legislation approved by the Congress of the United States.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Will the gentleman explain just how the number of admissions has been staggered under the House bill? The 200,000 displaced persons would not all come in in 1 year?

Mr. HERTER. The bill provides for the admission of 200,000 over a period of 2 years. The bill expires at the expiration of 2 years.

Mr. DEVITT. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. DEVITT. Did I correctly understand that the gentleman expresses a preference for the so-called Fellows bill over the bill passed by the other body?

Mr. HERTER. I expressed a very strong personal preference in favor of the Fellows bill.

Mr. DEVITT. I wish to join with the gentleman in that sentiment.

Mr. HERTER. I appreciate the gentleman's statement very much.

Mr. KERSTEN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I am glad to yield to the gentleman.

Mr. KERSTEN of Wisconsin. The bill that the Senate passed, however, does have this feature, does it not? It makes some provision for the class of people known as expellees, whereas the Fellows bill presently does not, is that correct?

Mr. HERTER. I think that is correct, but I would not want to be quoted on that, because I have not studied all the provisions of the Senate bill carefully enough.

Mr. KERSTEN of Wisconsin. I thank the gentleman.

Mr. LATHAM. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I am glad to yield.

Mr. LATHAM. Does the bill provide for mortgaging future quotas?

Mr. HERTER. Yes; the bill provides for mortgaging future quotas, only up to 50 percent of those quotas.

Mr. Speaker, in view of the fact that there is an admirable report on this bill, and that it will be explained in great detail during the 3 hours of general debate, I feel it is unnecessary to go into the specific provisions of the bill at this time. I am very glad now to yield 30 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, for over 2 years the American people have urged and pleaded that something be done for the unfortunate displaced persons. Naturally I am pleased that the bill now before us is less drastic than the bill passed by the other body and will relieve some of the unfortunate displaced persons of the conditions under which they have been obliged to live and exist for the past 3 years. However, the bill under consideration is restrictive in many particulars and, in fact, if the unfortunate persons covered by the bill were criminals, the committee could not have put in more restraining limitations and requirements. But taking everything into consideration and in view of the prejudice that has been created in the minds of the people who have not had time to familiarize themselves with the hardships of these displaced persons, I really do not blame the committee for including and embodying these restrictive safeguards with respect to these unfortunates.

Mr. Speaker, I was a member of the Committee on Immigration for 24 years, having served from 1907 to 1931, and helped to pass many of the restrictive immigration laws, so I know something about immigration and what it has done, not to the country, but for the country. We have in this country a few publicists and lobbyists who have been poisoning the minds of the American people against immigration for many years. Well, I have read history and gone back to 1800, a hundred and fifty years ago, when this country had a population of about three or four million people. A commission was appointed at that time in Pennsylvania which made a report on

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued June 14, 1948
For actions of June 11 & 12, 1948
80th-2nd, Nos. 106 & 107

CONTENTS

Adjournment.....	41,59	Food conservation.....	20	Purchasing.....	54
Agricultural appropriation bill (individual items not indexed.....)	1	Foreign affairs.....	15,63	Relief.....	4,19,52
Animal industry.....	47	Forests and forestry..	7,13,21,25	Roads.....	7
Appropriations.....	1,5,33,34,44,45,48	Health.....	56,62	School-lunch program....	39
Buildings and grounds....	55	Housing.....	3,30,64	Social security.....	9
Commendation.....	14	Labor, farm.....	3,42	Soil conservation....	23,27
Displaced persons.....	3,35	Lands.....	57	Strategic materials.....	58
Economic report.....	49	Lands, reclamation....	10,16	Trade, foreign...17,24,29,36,40,51,61	
Electrification.....	26	Livestock and meat.....	47	Transportation.....	46
Farm program.....	12,22	Minerals.....	13,50,53,58	Travel.....	11
Flood control.....	26,43	Personnel.....	6,18,37,38	Veterans' benefits.....	6
		Prices, support..	2,28,32,60	Water pollution.....	31
				Wildlife.....	40

HIGHLIGHTS: House received conference report on agricultural appropriation bill. House debated and passed price-support bill. House passed displaced-persons bill. Road-authorizations bill sent to conference. Senate passed farm-labor supply bill. Senate passed omnibus flood-control bill. Senate authorized Agriculture Committee to investigate foot-and-mouth disease. Senate received veto message on bill authorizing rate agreements between carriers. Senate committee reported corporations and Interior appropriation bills.

HOUSE - June 11

1. **AGRICULTURAL APPROPRIATION BILL.** Received the conference report on this bill, H. R. 5883 (pp. 8071-4). Attached to this Digest is a summary of actions by the conferees.
2. **PRICE SUPPORTS.** Began debate on H. R. 6248, to provide for continuation of price supports on farm products (pp. 8074-86).
3. **DISPLACED PERSONS.** Passed, 289-91, with amendments S. 2242, to provide for entry of displaced persons into the U. S., with provision that part of these persons be farm workers (pp. 8040-69).
4. **DISASTER RELIEF.** Rep. Angell, Oreg., spoke in favor of relief in connection with the Columbia River floods and inserted a "partial list of acts providing Federal aid in disasters" (pp. 8045-8).
5. **APPROPRIATIONS.** Received the conference report on H. R. 5524, the Army Department civil functions appropriation bill (pp. 8069-70).
Received the conference report on H. R. 6430, the D. C. appropriation bill (pp. 8081-2).

6. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H. R. 6641, to amend the Civil Service Retirement Act to provide annuities for certain surviving spouses of annuitants retired before Apr. 1, 1948 (H. Rept. 2309)(p. 8099).

Rep. Rogers, Mass., inserted the Supreme Court's decision regarding the Veterans' Preference Act (pp. 8036-9).

Rep. Lyle, Tex., spoke in favor of a pay raise for Federal employees (p. 8040).

7. ROAD AUTHORIZATIONS. Reps. Dondero, Cunningham, McGregor, Beall, Whittington, Elliott, and Fallon, and Sens. Revercomb, Cooper, and Chavez were appointed conferees on H. R. 5888, to authorize additional road appropriations, including appropriations for forest highways and forest development roads and trails (pp. 8027, 8070).

8. HOUSING. Rep. Blatnik, Minn., spoke in support of the T-E-W housing bill, S. 866 (pp. 8035-6).

9. SOCIAL SECURITY. Rep. Eberharter, Pa., inserted an analysis of H. R. 6879, which broadens the Social Security Act and includes a provision making employees of certain FCA agencies subject to the Act (pp. 8086-8).

10. RECLAMATION. House conferees were appointed on H. R. 5416, to promote the interests of the Fort Hall Indian irrigation project, Idaho (p. 8074).

11. TRAVEL. H. R. 6136 (see Digest 101) amends the act of 1940, to encourage travel in the U. S., so as to establish a "United States Travel Bureau" as a separate Interior Department agency and to remove the \$100,000 limit in the appropriation authorization.

12. FARM PROGRAM. Rep. Gross, Pa., criticized price-support administration, payments to farmers, and a cook book on low-cost foods (June 8; p. 7549).

SENATE - June 11

13. FORESTS. The Interior and Insular Affairs Committee reported without amendment H. R. 2867, to permit, subject to certain conditions, mining locations under the U. S. mining laws in part of the Harney National Forest (S. Rept. 1597) (p. 7967).

14. SEN. CAPPER. Sen. Wherry, Nebr., inserted an article by Gould Lincoln commending Chairman Capper of the Senate Agriculture and Forestry Committee (p. 7966).

15. FOREIGN RELATIONS. Agreed, 64-4, to S. Res. 239, reaffirming U. S. policy to achieve international peace and security through U. N. (pp. 7970-8026).

16. RECLAMATION. Senate conferees were appointed on H. R. 5416 (see item 10 above) (p. 8027).

17. TRADE AGREEMENTS. Sen. Myers, Pa., inserted a Pittsburgh C of C statement favoring continuation of the trade-agreements program (p. 8028).

BILLS INTRODUCED - June 11

18. CIVIL-SERVICE RETIREMENT. H. R. 6885, 6886, and 6887, by Rep. Stevenson, Wis., to amend the Retirement Act; to Post Office and Civil Service Committee (p. 8100).

19. DISASTER RELIEF. H. R. 6891, by Rep. Goff, Idaho, to authorize FWA to coordinate emergency activities of Federal agencies in disaster areas and to provide emergency aid, including aid for repair, restoration, etc., of public facilities in such areas; to Public Works Committee (p. 8100).
20. RODENT CONTROL; FOOD CONSERVATION. H. J. Res. 424, by Rep. Burke, Ohio, to promote planning, development, maintenance, and coordination of rodent control; to Merchant Marine and Fisheries Committee (p. 8100).
21. FORESTRY. H. R. 6893, by Rep. Riley, S. C., to amend Sec. 4 of the Clarke-McNary Act of 1924; to Agriculture Committee (p. 8100).

ITEMS IN APPENDIX - June 11

22. FARM PROGRAM. Extension of remarks of Rep. Murray, Wis., criticizing various phases of the present farm program and including a BAE statement on the values of several farm crops in 1947 (pp. A3927-8).
23. SOIL CONSERVATION. Rep. Trimble, Ark., inserted statements by farmers recommending enactment of soil-conservation legislation (pp. A3939-30).
24. TARIFF. Extension of remarks of Rep. Murray, Wis., "Does a duty of 1 cent per pound on hogs, 3 cents per pound on lard, and 25 cents per bushel on corn make economic sense to you?" (p. A3932).
25. FORESTS. Rep. Trimble, Ark., inserted an article by C. F. Byrns favoring additional funds for timber-sales work of the Forest Service (p. A3934).
26. ELECTRIFICATION; FLOOD CONTROL. Rep. Blatnik, Minn., inserted President Truman's June 10 speech on these subjects (pp. A3934-6).
27. ACP PAYMENTS. Rep. Trimble, Ark., inserted a farmer's statement favoring additional appropriations for this program (p. A3937).
28. PRICE SUPPORTS. Extension of remarks of Rep. Murray, Wis., "Why does not the Department of Agriculture follow the provisions of the Steagall amendment?" (pp. A3938-9).
29. TRADE AGREEMENTS. Sen. Myers, Pa., inserted a Pittsburgh Post-Gazette editorial, "Reciprocal Trade Sabotage" (p. A3942).
30. HOUSING. Extension of remarks of Rep. Shafer, Mich., criticizing S. 866, the T-E-W housing bill (pp. A3943-4).
31. WATER POLLUTION. Extension of remarks of Rep. Lane, Mass., favoring water-pollution control (pp. A3959-60).

HOUSE - June 12

32. PRICE SUPPORTS. Passed with amendments H. R. 6248, to provide for price supports until June 30, 1950 (pp. 8164-95). In addition to the committee amendments, agreed to an amendment by Rep. Hope providing that hogs, chickens, and eggs, as well as milk and its products, shall be supported at 90% of parity, and the potatoes harvested in 1948 shall be supported at 90% of parity, notwithstanding that they may not be marketed until after Jan. 1, 1949 (pp. 8165-75).

Rejected the following amendments: By Rep. Dirksen, to strike out the provisions for peanut supports, by a 43-140 vote (pp. 8176-87). By Rep. Hand N. J., to provide supports for vegetables and fruits (pp. 8188-90). By Rep. Gearhart, Calif., to provide supports for citrus and dried fruits and raisins by a 53-66 vote (pp. 8191-3).

An amendment by Rep. Sasscer, Md., to change the parity period for Md. tobacco, was ruled out of order (p. 8193).

Rejected, 33-163, a motion by Rep. Dirksen to recommit the bill (p. 8195).

33. ARMY CIVIL FUNCTIONS APPROPRIATION BILL. Agreed to the conference report on this bill, H. R. 5524 (pp. 8196-204).
34. D. C. APPROPRIATION BILL. Agreed to the conference report on this bill, H. R. 6430 (pp. 8204-5).
35. DISPLACED PERSONS. House conferees were appointed on S. 2242, the displaced-persons bill (p. 8207). Senate conferees were appointed (pp. 2126-8).
36. TRADE AGREEMENTS. Received from the Tariff Commission parts IV and V of its report on the trade-agreements program (p. 8210).
37. CIVIL-SERVICE RETIREMENT. The Post Office and Civil Service Committee reported with amendment H. R. 5715, to extend the benefits of section 1 (c) of the Civil Service Retirement Act to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having served 25 years but before reaching age 55 (H. Rept. 2328)(p. 8210).
38. FEDERAL PAY RAISE. Rep. Kilday, Tex., spoke in favor of this (p. 8163).
39. SCHOOL LUNCH PROGRAM. The Education and Labor Committee ordered reported, but did not actually report, H. R. 1760, which would put Alaska and Hawaii on the same basis as the States in apportionment of school-lunch funds (p. D643).
40. ANIMAL IMPORTS. The Interstate and Foreign Commerce Committee ordered reported but did not actually report, S. 1447, requiring humane treatment of imported wild animals and birds (p. D643).
41. ADJOURNED until Mon., June 14 (p. 8210).

SENATE - June 12

42. FARM LABOR. Passed as reported S. 2767, to provide for a revolving fund of \$2,500,000 for assistance by the Labor Department in the recruitment from the Western Hemisphere and Puerto Rico of workers for temporary agricultural employment in the U.S. (p. 8114).
43. FLOOD CONTROL. Passed with amendments H.R. 6419, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation and flood control (pp. 8115-9). The bill was ordered printed with the

1949: This amendment is reported in disagreement.

Amendment No. 34, limiting the amount payable to any one participant: The House provided \$500; the Senate, \$750. The House recedes.

EXPORTATION AND DOMESTIC CONSUMPTION OF AGRICULTURAL COMMODITIES

Amendment No. 35 is reported in disagreement.

NATIONAL SCHOOL LUNCH ACT

Amendment No. 36: The House provided \$65,000,000; the Senate, \$75,000,000; the House recedes. The amount provided includes \$10,000,000 presented to the Congress in the pending supplemental estimate for the National School Lunch Act.

MARKETING SERVICES

Amendment No. 37, personal services in the District of Columbia: The House provided \$2,187,827; the Senate, \$2,197,827; the Senate recedes.

Amendment No. 38, Market News Service: The Senate appropriated an increase of \$25,000; the conferees have agreed upon an increase of \$22,500, which is to provide an equal amount of \$7,500 for each of the following projects:

(1) For extending the Market News Service covering Florida livestock markets reported through the Thomasville, Georgia, Market News Office. It is understood the Florida state legislature will make an appropriation of not less than \$5,000 to supplement this amount.

(2) For strengthening the Market News Service at Boston, Massachusetts.

(3) For maintenance of the Market News Service on dairy and poultry products and fruit and vegetable products at existing offices at Seattle and Yakima, Washington. Supplemental funds made available from sources within the state will be required to carry on this service on a full-year basis.

Core Testing of Wool: The core testing of wool for wool producers requesting such service has been held in abeyance by the Department since early in March. The reason for the suspension of this service was the receipt by the Department of a letter, under date of March 10, from the House Agricultural subcommittee questioning the wisdom of the Department's plans to equip and staff a laboratory for a wool-testing service when there are a number of private laboratories already in existence which are competent to perform the tests and are anxious to have the work.

The suspension of the Department's activities looking toward the supplying of this much-needed service to wool growers was, presumably, for the purpose of affording the Senate Agricultural subcommittee the opportunity of making known its position in the matter and, eventually, to permit the two subcommittees to reach, if possible, some common ground. The report of the Senate committee contains the following:

"Evidence before the committee strongly supports the use of funds already available for core testing and scouring of wool and the committee is of the opinion that the program is desirable."

From the discussion of this matter in the Senate hearings (pages 977-979), the following quotation is noted:

"Mr. NEWELL. Of course, we will be governed, Senator, by the wishes of Congress.

"Senator BROOKS. The wish of Congress is there in the law; is it not? If you are going to have a conflict between two committees, you follow the law until the law is changed."

The House committee can have no quarrel with the position of the Senate committee, as above outlined. However, an examination of the law by the House committee and by the Department discloses (1) it is the declared policy of Congress that "a sound, efficient, and privately operated system [italics supplied] for distributing and marketing agri-

cultural products is essential to a prosperous agriculture," and so forth; (2) That the Secretary is given the utmost freedom to supply marketing services such as that of wool testing through the negotiation of contracts (for a maximum period of four years and without requirement to advertise for bids) with private firms for the laboratory processing of such tests; and (3) that no additional authority or additional funds are required in the pending appropriation bill to enable the Secretary to negotiate and carry out a contract of the kind just described in connection with the core-testing of wool.

The foregoing statement of the law is not questioned by the Department. Accordingly, the House committee hereby supplements its letter of March 10, as follows:

The committee will expect the Secretary to explore thoroughly forthwith the possibility of negotiating and effectuating a contract with a private laboratory or laboratories for the core testing of wool within the framework of the law as it now exists. Under such a contract, the laboratory, its equipment, and its staff would, of necessity, be subject at all times to inspection and supervision by the Department, and the results of the tests would be promulgated by the Department and would thus enjoy the same prestige in the market and in the courts as would obtain if the laboratory were Government-owned and Government-operated.

Meanwhile, immediate service should be extended by the Department to wool growers now needing such tests. The committee has the assurance of the Department that in the furnishing of such immediate service to the growers no steps need or will be taken which will prejudice the contract negotiations with private laboratories.

It is the feeling of the House committee that the law intends; first, that a privately operated system of marketing is to be sought, in preference to a Government-operated system; and, second, that it is the responsibility of the Secretary of Agriculture to prosecute a bona fide effort, within the framework of the law, to have the wool core testing done by privately owned laboratories, under contracts which adequately protect the public interest and the interest of the wool growers.

The Senate conferees have agreed to the foregoing statement on the core testing of wool with the addition of the following: "Meantime, the Department is free to use the funds at its disposal to carry on the program it has initiated for the core testing and scouring of wool".

The House conferees have no objection to the addition of the foregoing language but it is understood that the language will not be construed to weaken the mandate of the House conferees that the Department make the effort indicated to negotiate a favorable contract with privately owned laboratories under the funds now at its disposal.

FARMERS HOME ADMINISTRATION

Amendment No. 39, production and subsistence loans, title II: The House appropriated \$60,000,000; the Senate, \$75,000,000; the House recedes.

RURAL ELECTRIFICATION ADMINISTRATION

Amendment No. 40, salaries and expenses: The House appropriated \$5,000,000; the Senate, \$5,450,000; the House recedes.

Amendments Numbers 41 and 42 are reported in disagreement.

AMENDMENTS IN DISAGREEMENT

Amendment No. 1, relating to language authorizing the Secretary to employ not to exceed ten persons at salaries not in excess of \$15,000 per annum: The Senate struck out the provision. The managers on the part of the House will move to insist.

Amendment No. 12, relating to payments to States, etc., under title I of the Bankhead-Jones Act for experiment stations: The House proposed \$2,661,268; the Senate pro-

posed \$2,861,268, and inserted language relating to a transfer to a special Alaskan appropriation account. The managers on the part of the House will move to recede and concur.

Amendment No. 13, relating to a total: The managers on the part of the House will move to recede and concur, the figure in question being directly related to Amendment No. 12.

Amendment No. 15, relating to the Federal meat inspection service: The Senate proposed an appropriation of \$11,500,000, and also inserted language which repeals and covers into the general fund of the Treasury the unobligated balance of the special meat inspection fund established in the 1948 agricultural appropriation act; The House had not provided any general fund appropriation for the service. The managers on the part of the House will move to recede and concur.

Amendment No. 33, relating to the authorization for formulation and development of a 1949 agricultural conservation program: The House proposed a ceiling of \$225,000,000 on the amount of the program; The Senate proposes a ceiling of \$300,000,000. The managers on the part of the House will move to insist.

Amendment No. 35, relating to the use of Section 32 funds: The Senate inserted language limiting to \$500,000 expenditures from Section 32 funds for payments in connection with the manufacture of insulation products. The managers on the part of the House will move to recede and concur.

Amendment No. 41, relating to certain activities of the Regional Agricultural Credit Corporation: The Senate inserted language providing that the Secretary of Agriculture may authorize the corporation to reenter an area or region where economic emergency or production disaster has occurred. The managers on the part of the House will move to recede and concur.

Amendment No. 42, relating to the Federal Crop Insurance Corporation: The Senate inserted language authorizing the use, during fiscal year 1949, of the unobligated balance of the 1948 administrative appropriation to complete the orderly liquidation of the 1947 and prior crop year programs. The managers on the part of the House will move to recede and concur.

EVERETT M. DIRKSEN,
CHARLES A. PLUMLEY,
H. CARL ANDERSEN,
WALT HORAN,
JOHN PHILLIPS,
CLARENCE CANNON,
JAMIE L. WHITTEN,

Managers on the Part of the House.

SUPPLEMENTARY STATEMENT

The undersigned managers on the part of the House have signed the conference report and statement. However, we feel it desirable to call attention to what we think is an important consideration in connection with the amendments of the Senate numbered 2, 3, 4, and 5, and particularly with the agreement on these amendments in the conference. The Marketing Research Act of 1946 was definite in its terms and its intent, when it passed the Congress. It was not intended then, nor do we believe it to be the intent of the Congress now, that money, voted with such liberality under this act, should be used to implement research already carried on by established research sections of the Department of Agriculture. We submit, from our own knowledge of the original bills, and the testimony that the Congress intended to encourage research in marketing, to balance the research in production already emphasized strongly by the Department. Consumption is the purpose of production; therefore, to avoid gluts and under-consumption of agricultural production the specific emphasis should be clear and specifically on marketing. It certainly was never the intention of the

Congress that this money should be used, in any amount, to replace cuts made by the Congress in any appropriation items in the budget of the Department. Finally, we are equally convinced that there was no intent, and that there should be no intent, to "equalize" the amounts given the several sections of the Act, as represented by the amendments numbered 2, 3, 4, and 5. Each section should stand on its own merits. The expenditures and the requests for each section should be studied separately and carefully. The money should be appropriated on the basis of study and decision for each section. There appeared in the conferences to be, first, a feeling that additional money could be put in the appropriation without regard to duplication, or implementation, or the work of long established sections, and second, there was an indication of a desire to equalize the money for each section, without regard to the justifications, the past experiences, or the future plans. These concerns on our part are not serious at the moment, nor in this budget, but it would be serious to establish the attitudes, to which we refer, as a policy of the Congress, and for that reason we submit this supplementary statement, for the information of the House.

WALT HORAN.

JOHN PHILLIPS.

FORT HALL INDIAN IRRIGATION PROJECT, IDAHO

Mr. WELCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5416) to promote the interests of the Fort Hall Indian irrigation project, Idaho, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WELCH, D'EWART, SANBORN, MURDOCK, and PETERSON.

CONSTRUCTION AT NAVAL INSTALLATIONS

Mr. BATES of Massachusetts. Mr. Speaker, I call up the conference report on the bill (S. 1675) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 9, 1948.)

The conference report was agreed to.

A motion to reconsider was laid on the table.

HOOR OF MEETING TOMORROW

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

STANDARDIZATION OF AGRICULTURAL PRICES

Mr. RIZLEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 638 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. RIZLEY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. SABATH], and I yield myself such time as I may require.

Mr. Speaker, this resolution (H. Res. 638) provides for the consideration of H. R. 6248, a bill reported favorably by the Committee to stabilize the prices of agricultural commodities and for other purposes.

Basically, the bill provides for a continuation of price support programs by the Department of Agriculture with certain refinements and improvements over the present programs.

The present price support programs came into being early in the war principally because of the urgent need for increased quantities of food and fiber to meet war and essential civilian needs. To assure the production of the necessary amounts and kinds of agricultural commodities needed to prosecute the war and to maintain our economy at home, price support programs were devised whereby assurances were given to farmers that if they would produce the things needed they would be protected against ruinously low prices, by being assured, in the case of commodities receiving price support, of approximately 90 percent of the parity price. In general the price support programs were designed to give farmers of the Nation protection similar to that given to industry. The principal difference being that in most instances industry was protected through specific contracts which guaranteed a profit on the undertaking, while farmers were assured of a market within the framework of the parity concept.

I do not think I need to remind the Members of this House of the great benefits which have been received under the agricultural price support programs. These programs have been almost uni-

versally acclaimed as the very heart of a sound agricultural economy. This has been demonstrated in actual practice. Throughout the entire war and postwar period the farmers of the Nation have responded magnificently to the demands placed upon them and have supplied us with the food and fiber necessary to win the war and they are presently providing the food which is proving to be the key in developing a lasting peace.

I think I might well say at this point that the farmers have continued to produce in the face of the most adverse circumstances. They have been dividing their farm machinery equipment with the other peoples of the world, and making their old equipment do. During the war when the boys were gone, they got along the best they could with any kind of help that they could get. This country certainly owes a debt of gratitude to the farmers of this country for the great job that they have done. We have already witnessed the effectiveness of food in the so-called cold war. Up to now, food has been the principal factor in the maintenance of the democracies in western Europe. The agricultural, price-support programs, which would be continued in effect by this bill have played a major part in obtaining the food production which has been so vital to the welfare of the Nation. One of the greatest but frequently overlooked benefits which the American people have derived from the agricultural, price-support programs is that they have aided materially in checking the inflationary spiral by assuring at all times an adequate food supply. Just pause to consider how high the cost of food would have been without these programs at a time when we are consuming, on a per capita basis, approximately 15 percent more food than we did before the war. At the same time while we are consuming more food domestically, we are exporting approximately five times more food than we did during the prewar years. Only through these support programs, which have given confidence to the farmers, would we have had produced the food to meet this great demand, and without the increased production the pressure on prices would have been tremendous. Another important but little-known fact concerning these price-support programs is that they have been conducted without cost to the taxpayer. To be sure, losses have been incurred on some commodities, but these losses have been offset by profits on others. Since the inception of the price-support programs, the Commodity Credit Corporation of the Department of Agriculture, the unit of the Department under which these programs have been conducted, shows a net gain of \$52,400,000 on its operations exclusive of consumer subsidies it paid during wartime price control. This gain is after the payment of all overhead operating expenses, and interest costs, and after setting aside a reserve to absorb any losses on commodities on hand and not yet sold. The gain on price-support programs on cotton alone have exceeded \$235,000.

The present price support programs were scheduled to terminate 2 years after

the first day of January immediately following the announcement of the termination of hostilities in the present war. This period will end on December 31 of this year. This 2-year period of mandatory price support was originally provided to give producers an opportunity to make readjustments in production. Since the issuance of the President's proclamation announcing the termination of hostilities, events have taken place which have changed drastically the agricultural outlook from what it was at that time. The domestic and foreign demand for most agricultural commodities has been so great that producers have not had the 2-year period to readjust production to peacetime conditions as was contemplated in the original law establishing price support. It has been necessary since the announcement of the termination of hostilities not only to maintain production but in many instances to increase production to meet the demand occasioned by the various foreign-aid programs coupled with high domestic consumption. Only last week this House authorized an appropriation of approximately \$6,000,000,000 to carry out various foreign-assistance programs. No one at this time can state with certainty what the impact of that program will be upon our domestic economy but we can be certain it will be very great. It is imperative, therefore, that we keep in readiness the tools by which we may obtain the production necessary to assure at all times the kinds and amounts of food at fair prices needed to meet our domestic requirements and at the same time carry out the obligations we have assured in foreign fields. The present bill will provide the price support necessary to obtain maximum protection of essential commodities and at the same time sufficient flexibility and authority are provided to permit such adjustments, either in the level of support or in the amounts of the less essential commodities which may be produced and marketed, as may be necessary to bring about a reasonable balance in the supply of food and other agricultural commodities with the changing levels of demand. The enactment of this bill will give farmers the assurance they need so that they can with confidence make their plans for the future.

I believe the Committee on Agriculture has acted wisely in developing a practical and sound bill for continuing price supports for agricultural commodities until such time as conditions will permit the working out of a long-range farm program. The conditions confronting the world today are almost as uncertain as they have been at any time during the war. The full impact of legislation such as the Economic Cooperation Act of 1948 upon our domestic economy is still unknown. Food stocks throughout the world are still at extremely low levels and are likely to continue so for some time. This bill is designed to fit these unsettled conditions. It will keep the tools which have been used so successfully in full effect and at the same time provide sufficient flexibility to enable changes to be made both in support level and in production goals

and marketing regulations with respect to commodities in more plentiful supply so as to bring about an orderly shift to a peacetime basis without damaging any segment of our economy. It is a sound and sensible bill and it will provide a price-support program which meets the conditions as they exist today.

The resolution provides 1 hour of debate on the bill and waives points of order against it. I am sure that the vast majority of you recognize the value and urgent necessity for this legislation, and I urge you to vote for this resolution providing for its consideration.

This bill, as I understand, was unanimously reported by the Committee on Agriculture.

Mr. Speaker, no one who has made any study of the past periods of our history in respect to its economic stability can successfully dispute the fact that when we have a healthy agriculture in this country, when agriculture is prosperous, we have a healthy and prosperous industry and a healthy and prosperous business. This bill is absolutely as necessary now as it was in the days when the late lamented Congressman Steagall, who we all knew and loved, fostered this idea. He was the daddy of it. These conditions with which we are confronted today I think demand that this bill have our full support.

Mr. SADOWSKI. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. SADOWSKI. In view of the high prices of food, which we have today, in view of the high prices that the consumers in the cities must pay for food today, is not this bill just a guaranty for a continuation of the high cost of living to the consumers in the cities?

Mr. RIZLEY. On the contrary, it is a guaranty to the consumers that the cost of living will not go higher and higher. If we do not have these support prices, the farmers will not be able to produce, and there will be such a scarcity of food that I hesitate to say how high the prices might go.

Mr. SADOWSKI. It is fine to assure the farmer high prices for his goods, but what assurance has the consumer in the city that the prices are not going to be too high? In other words, you are taking only half of the problem here. You are looking after the farmer but you have no price control in this measure. There is nothing in this measure to protect the consumer against high prices.

Mr. RIZLEY. I may say to the gentleman, of course, in industry and in business during the war, and if we get into another war we will continue it, there was a guaranteed cost of production. We are continuing to increase from time to time the wages of the laboring men, and I am for that; but if the farmers are to continue to produce they must have some assurance that they are going to get at least 90 percent of parity for their products. No one should be more interested in this bill than the consumer. The consumer is going to have to depend on the farmer, after all, if he expects to get food and if he expects to get clothing.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. ALBERT. How is the American farmer going to produce enough food to feed the city people of this country and meet our obligations abroad unless he can make enough money to pay his debts and keep going?

Mr. RIZLEY. The question answers itself.

Mr. WORLEY. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. WORLEY. In connection with the question asked by the gentleman from Michigan, is there anything in the minimum wage law for labor that is calculated to help the farmer meet his cost of living?

Mr. RIZLEY. Certainly not and I thank the gentleman for his contribution.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. EDWIN ARTHUR HALL. The gentleman could not have made a truer statement than when he said that agriculture could not have accomplished all that was expected of it in wartime had it not been assisted by this price support program. Is not the exigency and the emergency just as great now with the various programs we have to meet both at home and abroad?

Mr. RIZLEY. I certainly think so.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I wish to compliment the gentleman from Oklahoma on his splendid statement.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. HOLIFIELD. I should like to question the gentleman a little along the line raised by the gentleman from Michigan. As the gentleman from Oklahoma knows, I have been in this body for 6 years and have supported every farm program that has been brought before this House.

Mr. RIZLEY. The gentleman has a fine record in that respect and I am sure he is going to support this bill too.

Mr. HOLIFIELD. I am in somewhat of a quandary, though, about supporting this program in view of the fact I have no farms in my district and the people in my district are paying 97 cents a pound for ordinary beef.

Mr. RIZLEY. I may say to the gentleman that I hesitate to think what they might have to pay without a price support program. The gentleman comes from one of the greatest agricultural States in the Nation, the State of California. I have heard him boast before our committee many, many times that his State was perhaps the outstanding agricultural State in the Union. He, of course, represents not merely his small city district in Los Angeles, but he speaks for the farmers of California as well.

Mr. HOLIFIELD. But the gentleman will agree with me that California also is a great consuming State with its population concentrated largely in two great cities; and we have had a 42.8 percent increase in the price of food over conditions under OPA.

Mr. RIZLEY. May I interrupt my friend to say that there is no telling how much the people in his State would be paying for food had not the farmers been able to produce abundantly.

Mr. HOEVEN. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. HOEVEN. Is it not a fact that this very bill guarantees the food that the consumers in Michigan and California must have?

Mr. RIZLEY. We think so.

Mr. HILL. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. HILL. If you want eggs, if you want meat, if you want food products under present conditions, how can they be obtained if the farmer does not have a support price. This is the only way we are going to get production.

Mr. RIZLEY. The gentleman from Colorado is one of the able members of the Committee on Agriculture who has been active in that connection every since I have been in Congress, 8 years. I appreciate his contribution.

Mr. MORRIS. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I am happy to yield to my able colleague from Oklahoma, who I have found to always be the friend of agriculture.

Mr. MORRIS. I think the program has worked out well in the past and that this continuation, if it is continued, should be a continuation of the program. It has to be sound for the farm population and for the Nation as a whole.

Mr. RIZLEY. I think that is a fair statement.

Mr. MORRIS. I think the gentleman has made a very splendid argument.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. COX. As usual, I find myself in agreement, generally speaking, with the view of my distinguished friend from Oklahoma. He continues steadfast in his loyal and devoted support of the cause of the people who toil. I understand that he is soon to leave this House. By his so doing we will sustain a real loss. Not only do I have a very genuine regard for the gentleman but also I hold him in deep affection and look upon him as one of the substantial men of this body, one of the real patriots of Congress.

Mr. RIZLEY. I sincerely thank the gentleman from Georgia for his very kind words. I know of no one in this House that is more able and intense in his devotion to the cause of agriculture and to the maintenance of true American Jeffersonian democracy for all of our people.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Virginia.

Mr. HARDY. Is it not true that a price-support program is the finest insurance we can find for abundant production?

Mr. RIZLEY. There is no question about that.

Mr. HARDY. From the consumer's standpoint, does it not follow that abundant production is the greatest insurance

the consumer can be provided against exorbitantly high prices?

Mr. RIZLEY. The consumer cannot eat unless he has something to eat. This program insures there will be supplies of food and clothing.

Mr. HARDY. And abundant supplies guarantee against exorbitantly high prices?

Mr. RIZLEY. Yes.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from New York.

Mr. MARCANTONIO. When this program was inaugurated we had accompanying it a price-control program. One went along with the other. Now we have no price-control program. What is going to be the inflationary effect of this legislation in the absence of a price-control program? I think the House should concern itself with that problem in dealing with this legislation.

Mr. RIZLEY. This legislation deals with a continuation of price support for agricultural products.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. In answer to the gentleman from New York, when he makes the statement they have not any other support, I am sure he does not realize we have the minimum wage of 40 cents an hour and that 90 percent of parity does not provide any farmer with any more than 40 cents an hour. So far as support is concerned, if prices are too high everyone realizes that the President and the executive department of this Government control the prices at wholesale levels. They have the power, the authority and the money. If prices are too high they should go down to the White House and call on the gentleman there and ask for control of prices.

Mr. RIZLEY. I know of no Member of Congress who is a greater advocate of all of the things that are good for American agriculture than the gentleman from Wisconsin who has been a very valuable member of the Agricultural Committee for many years. I thank him for his contribution.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Will this guarantee the farmers in my district the ability to buy food for their poultry so that we can sell poultry and eggs again the same as we did for years? The price of feed is so high now from the western farmers that we cannot buy feed for our chickens.

Mr. RIZLEY. I may say to the gentleman that the farmers are one class of people who always have to take into consideration drought, pestilence, chinch bugs, green bugs, boll weevil, hog cholera, foot-and-mouth disease and a hundred other things that may destroy his crops before he can harvest and get them in the granary. It is not like industry, business or labor. No one can guarantee there is going to be a crop. I may say further to the gentleman that support prices is the best guaranty my

friend can have that if we have a season in which the farmers in the great sections that produce hay, grain, and feed can produce them, we will have an abundant supply so that he can feed his livestock and feed his chickens.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from New York.

Mr. JAVITS. I am from a city district and my people have been suffering from high prices of food. That is nothing new. We all know that. Is it not a fact all of these commodities are very much higher than the support price and the way to support prices and get the work done is to keep them high; that is, on a base beneath which they cannot go?

Mr. RIZLEY. Most of the prices are above the support prices. I do not know what is going to happen tomorrow or the day after tomorrow. All this bill does is to say: "You continue to produce and we will guarantee if your prices get down lower than 90 percent of parity we will step in and pay the difference so that you can continue to produce and we will see that you are paid up to 90 percent of parity."

Mr. JAVITS. This is designed to keep prices high. The farmer has a base beneath which he cannot go and he is bound to keep them up.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Nebraska.

Mr. CURTIS. As a matter of fact, this support price program will insure full-scale production and in the long run will lower the price of commodities. Recently the price of wheat has gone down considerably, but the price of bread has not. The price of hogs has gone away down. The price of meat has not.

Mr. JENSEN. I want to say that I have been with the gentleman from Oklahoma many times in agricultural meetings where it was explained very thoroughly that if the income of the farmer could be multiplied seven times you would have a national income that would insure the factory workers of America more dollars than the farmer makes, and would further insure full employment. The factory pay roll and the farmer's income go hand in hand, and so when my friends in the cities talk about high prices for farm products we want you to know that your consumer supply of food, and your industrial workers' good wages, and full employment are absolutely dependent on the income the farmer collects from the crops he raises and the prices he receives for his products.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Pennsylvania.

Mr. GROSS. Is there not danger when you make prices in Washington too high that you will price commodities off the market? I am thinking of peanuts and apples and potatoes at the moment.

Mr. RIZLEY. I do not think the gentleman will contend that this bill could bring about the results which my good

farmer friend from Pennsylvania is apprehensive.

Mr. GROSS. Is there not such a thing as having parity prices too high and stimulating production and continuing surpluses?

Mr. RIZLEY. I do not believe the existing law or the parity formula provided herein will result in the condition the gentleman describes.

Mr. GROSS. Well, just think for a little while and you will come to the same conclusion.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. This bill is for the purpose of obtaining full production and, of course, will defeat inflation and high prices and it will encourage the farmers and guarantee them a fair price, and that would certainly help the city people as well as the farmers.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I suppose my friend is very anxious that we, who represent city districts, in properly looking after the farmers in our districts, would do so by supporting this bill; is that correct?

Mr. RIZLEY. Of course, my friend knows that I expect his support of this bill. He has always done so, and I hope he will continue to do so.

Mr. McCORMACK. I think the observations about price control are correct. On the other hand, we have this bill before us, and it serves a very useful purpose in our national economy, and it is my intention to support the bill. I think the gentleman from Oklahoma has been very adroitly making an argument so that those of us who represent city districts should support the bill. Many times in the past those of us not representing farm districts voted to save the farmers of the country. I am sure that when the vote is taken that those of us living in city districts will show our constructiveness by again voting for the passage of the bill.

Mr. RIZLEY. I thank the gentleman.

[Mr. SABATH addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. SABATH asked and was given permission to revise and extend his remarks.)

Mr. RIZLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, this bill to extend the price-support program on agricultural commodities shall have my support. Earlier in this session I introduced a bill which would extend the existing support prices at 90 percent of parity.

This bill before us today would call for support prices for cotton, wheat, corn, tobacco, rice, peanuts, and milk and its products at 90 percent of parity. It also calls for support prices for a considerable list of other commodities. It is my un-

derstanding that a committee amendment will be offered which will specifically fix the support price on hogs, poultry, and eggs at 90 percent of parity also. I shall support this committee amendment.

Mr. Speaker, we cannot permit farm prices to sink to a disastrously low level. This program will prevent that from happening. It is not only desirable but it is absolutely necessary to the well-being of this country that we do not have a farm depression.

In addition to the effect upon our general economy this program should be enacted for the benefit of the individual farm families of the country. The men and women and their children who toil 10, 12, and 15 hours a day, take the risk of drought, floods, hailstorms, grasshoppers, and other destructive forces, are entitled to receive a fair price for their products sold in the market place. Business and industry have certain methods available to support their prices. Labor is protected by the wage-and-hour law and by the mass action of collective bargaining. Our economy cannot move forward unless agriculture is assured of its fair share of the national income.

Mr. Speaker, I shall support this measure.

(Mr. CURTIS asked and was given permission to revise and extend his remarks.)

Mr. RIZLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. LATHAM].

Mr. LATHAM. Mr. Speaker, on the recent roll call, No. 100, I understand that I am not recorded. I was present and voted "aye" and I ask unanimous consent that the roll call be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RIZLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Iowa [Mr. TALLE].

PARITY

Mr. TALLE. Mr. Speaker, at the outset of the current session of the Congress, I introduced a bill known as H. R. 5179 which, among other things, provided for extending the farm price-support program for 4 years. While my bill differs in some aspects from the proposal which the resolution now under consideration will make in order, I intend to support the best legislation that can be passed in the House at this time.

Mr. Speaker, the price-support program merely establishes a floor based on parity below which a farmer need not sell his products. It is well to remember that this thing called parity is the keystone of our present farm program. For more than 20 years the attainment of economic equality for agricultural producers has been one of the major objectives of the Congress. Among the earliest attempts to correct the farm products price situation by legislation were the McNary-Haugen bills which were introduced during the period 1924-28. Briefly, these bills would have permitted

higher domestic than export prices for farm products that enter into foreign trade. As a result of this agitation for legislation to correct the disparity between the prices of farm and nonfarm products in relation to the pre-World War I, the Farm Board was created in 1930. From these earlier legislative efforts, the Agricultural Adjustment Act of 1933 was evolved in which the relation between farm and nonfarm products was adopted as the measure of the economic welfare of farmers. It was in this act that the term parity was first defined and it has been redefined in various laws enacted since then—sometimes as parity income, sometimes as parity price. Stated simply, however, the parity principle means that the farmer will receive a price for his product which will give it an exchange value, for things the farmer needs to buy, equivalent to that in a specified base period.

There are three steps in computing the parity price of a given commodity:

First. The base price of the commodity is determined by averaging the prices of that commodity during the base period.

Second. An index of prices paid by farmers is determined. To calculate the index number, some 86 items used in family living and 94 items used in farm production plus interest per acre on farm indebtedness and taxes per acre on farm real estate are combined in a weighted index. This procedure gives an over-all index of prices paid by farmers.

Third. The final calculation of a parity price is determined by multiplying the base price by the index number of the current period.

Thus, parity is a changing rather than a fixed price concept in that it shifts from month to month. There have been many proposals for revising the present formula. And, frankly, I believe the subject should be thoroughly explored. I have in mind, particularly, the desirability of reexamining the relationship between prices of various agricultural commodities. The present formula freezes relationships that existed in the base period, and in several instances, at least, the relationships appear to be out of line. But this is not the hour for discussing modification of the parity formula.

Mr. Speaker, during and since the war the majority of farmers have not been particularly concerned about support prices for the obvious reason that the prices of most agricultural commodities within the scope of the program have been above parity. However, the recent fluctuations in the grain market have directed public attention increasingly to the price-support system.

Although the system was originally intended to bolster prices of certain basic farm commodities at a time of deep agricultural depression when farm surpluses were acting as a price depressant, it developed during the war years to be a means of encouraging expanded production. The need for expanded production is no less acute in this postwar period. The world is still short of food. We must plan our production in order to obtain a maximum harvest. We must assure the producers in advance of a

ready market and a fair return for their produce. We cannot promise farmers that unfavorable weather conditions will not destroy their crops, but we can offer them an incentive to maximum production. Price-support legislation does not guarantee a farmer full parity price for his products, but it does establish a floor under which he need not sell the products covered by the program. Surely this price-support program is the best available protection the American people have against the inflationary effect of a short crop.

In conclusion, Mr. Speaker, I want to urge every Member of this body to ponder the significance of the war posters that all of us remember so well: "Food will win the war and write the peace."

(Mr. TALLE asked and was given permission to revise and extend his remarks.)

Mr. RIZLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from New Jersey [Mr. HAND].

Mr. HAND asked and was given permission to revise and extend his remarks and include certain communications in the speech he will make when the House resolves itself into the Committee of the Whole.

Mr. RIZLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL of Michigan asked and was given permission to extend his remarks at this point in the RECORD and include a list of the rivers-and-harbors and flood-control projects as agreed upon by the conferees on the Civil Functions appropriation bill.

The matter referred to follows:

PROJECT AND AMOUNT ALLOWED BY CONFEREES
FOR CONSTRUCTION

Flood Control

Arizona: Holbrook.....	\$30,000
Arkansas:	
Blakely Mountain Reservoir.....	3,200,000
Bull Shoals Reservoir, Ark. and Mo.....	14,000,000
Carden's Bottom drainage district No. 2.....	700,000
Conway County levee districts Nos. 1, 2, and 8.....	390,000
Conway County levee district No. 6.....	33,000
Crawford County levee district.....	600,000
Little Rock.....	310,300
Little Rock to Pine Bluff.....	400,000
Narrows Reservoir, Little Missouri Basin.....	2,800,000
Nimrod Reservoir.....	75,000
Norfolk Reservoir, Ark. and Mo.....	750,000
Red River levees and bank stabilization below Denison Dam, Ark., Tex., and La.....	1,000,000
West of Morrilton.....	500,000
Bayou Bodcau Reservoir, Ark. and La.....	760,000
California:	
Folsom Reservoir.....	1,000,000
Isabella Reservoir.....	2,500,000
Los Angeles County drainage area:	
Whittier Narrows Reservoir.....	200,000
Sawtelle-Westward.....	400,000
Los Angeles River Channel.....	4,138,000
Lopez Flood Control Basin.....	
Merced County stream group.....	935,000
Pajaro River.....	185,000

California—Continued	
Prado Dam.....	\$263,500
Pine Flat Reservoir.....	3,500,000
Sacramento River minor tributaries.....	500,000
Ventura River.....	800,000
Cherry Valley Reservoir.....	600,000
Farmington Reservoir.....	250,000
Colorado:	
Cherry Creek Reservoir.....	7,000,000
Colorado Springs.....	605,600
Creede.....	159,700
Georgia:	
Allatoona Reservoir.....	8,000,000
Clark Hill Reservoir, Ga. and S. C.....	7,700,000
Macon.....	200,000
Idaho:	
Heise-Roberts area.....	351,000
Lucky Peak Reservoir, Boise River.....	500,000
Illinois:	
Coal Creek drainage and levee district.....	700,000
Degonia and Fountain Bluff drainage and levee district.....	240,000
East St. Louis and vicinity.....	1,000,000
Farm Creek Reservoirs.....	2,500,000
Fort Chartres and Ivy Landing drainage and levee district.....	64,000
Grand Tower drainage and levee district.....	730,000
Harrisonville and Ivy Landing drainage and levee district.....	323,500
Lacey, Langellier, West Matanzas, and Kerton Valley drainage and levee districts.....	617,000
Mounds and Mounds City.....	884,000
Prairie Du Rocher and vicinity.....	900,000
Stringtown-Fort Chartres and Ivy Landing drainage and levee district.....	730,000
The Sny Basin.....	1,500,000
Wood River drainage and levee district.....	1,500,000
Reevesville.....	651,000
Indiana:	
Cagles Mill Reservoir.....	1,500,000
Cannelton.....	640,000
Indianapolis, Fall Creek section.....	1,000,000
Jeffersonville-Clarksville.....	235,000
Levee unit 8.....	243,000
Muncie.....	78,000
McGinnis levee.....	420,000
New Albany.....	1,050,000
Shufflebarger levee.....	420,000
Iowa:	
Chariton River, Iowa and Mo.....	750,000
Coralville Reservoir.....	700,000
Council Bluffs.....	886,000
Denison.....	52,000
Dry Run.....	320,000
Elkport, Turkey River.....	30,100
Missouri River agricultural levees, Sioux City, Iowa, to mouth, Iowa, Nebr., Kans., and Mo.....	8,000,000
Missouri River, Kensler's Bend, Nebr., to Sioux City, Iowa, Nebr., and S. Dak.....	700,000
Red Rock Reservoir.....	1,000,000
Little Sioux River.....	200,000
Kansas:	
Fall River Reservoir.....	4,400,000
Kanopolis Reservoir.....	48,000
Kansas Citys, Mo., and Kans.....	7,000,000
Wichita and Valley Center.....	490,000
Kentucky:	
Center Hill Reservoir, Tenn., and Ky. (See Tennessee.).....	
Covington.....	900,000
Dale Hollow Reservoir, Tenn. and Ky.....	200,000
Dewey Reservoir.....	2,071,000
Louisville.....	4,000,000
Newport.....	1,800,000
Taylorsville.....	80,000

Kentucky—Continued	
Uniontown.....	\$350,000
Wolf Creek Reservoir.....	12,400,000
Maysville.....	400,000
Ashland.....	420,000
Hawesville.....	200,000
Louisiana:	
Aloha-Rigolette area.....	500,000
Bayou Bodcau, Red Chute, and Loggy Bayou.....	34,700
Bayou Bodcau Reservoir. (See Arkansas.)	
Bayou Teche and Vermilion River.....	600,000
Mermentau River.....	1,000,000
Pineville.....	60,800
Shreveport.....	1,000,000
Jonesville.....	268,000
Lake Pontchartrain.....	900,000
Maryland:	
Savage River Dam.....	400,000
Cumberland, Md., and Ridgely, W. Va.....	500,000
Massachusetts:	
Birch Hill Reservoir.....	100,000
Chicopee.....	256,000
Holyoke.....	755,000
Springdale.....	315,300
Michigan:	
Mount Clemens.....	284,000
Minnesota:	
Lac Qui Parle Reservoir.....	113,200
Red Lake and Clearwater Rivers.....	1,000,000
Missouri:	
Bull Shoals Reservoir, Ark. and Mo. (See Arkansas.)	
Chariton River, Iowa and Mo. (See Iowa.)	
Clearwater Reservoir.....	1,182,100
East Poplar Bluff and Poplar Bluff.....	153,400
Kansas Citys, Mo. and Kans. (See Kansas.)	
Missouri River agricultural levees, Sioux City, Iowa, to the mouth, Iowa, Nebr., Kans., and Mo. (See Iowa.)	
Norfolk Reservoir, Ark. and Mo. (See Arkansas.)	
Perry County Nos. 1, 2, and 3.....	300,000
Montana:	
Forsyth.....	74,200
Nebraska:	
Bartley.....	96,000
Harlan County Reservoir.....	8,000,000
Indianola.....	13,000
Missouri River agricultural levees, Sioux City, Iowa, to mouth, Iowa, Nebr., Kans., and Mo. (See Iowa.)	
Missouri River, Kenslers Bend to Sioux City, Iowa, Nebr., and S. Dak. (See Iowa.)	
Omaha.....	2,400,000
New Hampshire:	
Blackwater Reservoir.....	231,000
Franklin Falls Reservoir.....	150,800
West Peterboro Reservoir.....	600,000
New York:	
Almond Reservoir.....	1,808,200
East Sidney Reservoir.....	3,000,000
Elmlra.....	1,000,000
Lancaster.....	40,000
Montour Falls.....	1,130,000
Mount Morris Reservoir.....	3,000,000
Olean.....	733,000
Syracuse.....	1,100,000
Whitney Point Reservoir.....	57,700
Portville.....	400,000
North Carolina: Buggs Island Reservoir, Va. and N. C.....	9,000,000
North Dakota:	
Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)	
Baldhill Reservoir.....	784,500
Beulah.....	87,000
Garrison Reservoir.....	26,000,000
Hazen.....	35,500

North Dakota—Continued

Mandan	\$334,000
Homme Reservoir	478,800

Ohio:

Berlin Reservoir	204,300
Burr Oak Reservoir	239,400
Cincinnati	285,000
Delaware Reservoir	1,494,900
Dillon Reservoir	1,500,000
Massillon	1,500,000
Muskingum River Reservoirs	1,200,000
Portsmouth-New Boston	2,407,300
West Fork Reservoir	1,000,000
Big Walnut Creek Reservoir	600,000

Oklahoma:

Canton Reservoir	700,000
Denison Reservoir, Tex. and Okla.	500,000
Fort Gibson Reservoir	7,000,000
Great Salt Plains Reservoir	125,000
Hulah Reservoir	2,000,000
Kaw	102,000
Oklahoma City floodway	500,000
Polecat Creek	750,000
Tenkiller Ferry Reservoir	2,800,000
Wister Reservoir	3,900,000
Arkansas River Basin (see also Arkansas.)	

Oregon:

Amazon Creek	67,000
Arlington	35,000
Coquille River	93,000
Detroit Reservoir	3,500,000
Dorena Reservoir	3,000,000
Fern Ridge Reservoir	155,000
Lookout Point Reservoir	5,000,000
Mille Four drainage district	22,000
Multnomah drainage district No. 1	83,800
Nehalem River	15,000
Umpqua River and tributaries	116,000
Willamette River (bank protection)	500,000
Milton Freewater, Walla Walla River	300,000

Pennsylvania:

Conemaugh River Reservoir	7,875,000
East Branch Clarion River Reservoir	1,700,000
Latrobe	146,000
Loyalhanna	276,200
Johnstown	402,000
Punxsutawney	1,428,100
Sunbury	1,390,600
Williamsport	1,900,000
York	203,100
Youghiogheny River Reservoir	299,200

South Dakota:

Fort Randall Reservoir	18,000,000
Hot Springs	175,000
Missouri River, Kenslers Bend, Nebr., to Sioux City, Iowa, Nebr. and S. Dak. (See Iowa.)	
Oake Reservoir, S. Dak. and N. Dak.	2,000,000

Tennessee:

Center Hill Reservoir, Tenn. and Ky.	9,000,000
Dale Hollow Reservoir, Tenn. and Ky. (See Kentucky.)	

Texas:

Benbrook Reservoir	3,200,000
Denison Reservoir, Tex. and Okla. (See Oklahoma.)	
Grapevine Reservoir	3,300,000
Hords Creek Reservoir	280,000
Lavon Reservoir	2,800,000
Red River levees and bank stabilization below Denison Dam, Ark., Tex., and La. (See Arkansas.)	
San Angelo Reservoir and floodway	4,000,000
Texarkana Reservoir	3,350,000
Whitney Reservoir	4,000,000
Brady	300,000
Belton Reservoir	500,000
Garza-Little Elm Reservoir	500,000

Utah: Redmond	\$125,000
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Vermont: Union Village Reservoir	1,500,000
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Virginia:

Buggs Island Reservoir, Va. and N. C. (See North Carolina.)	
Philpott Reservoir	2,000,000

Washington:

Diking and improvement district No. 4	70,400
Mud Mountain Reservoir	543,700
Tacoma	650,000
Mill Creek	400,000

West Virginia:

Bluestone Reservoir	5,713,800
Parkersburg	2,450,900
Point Pleasant	800,000

Cumberland, Md. and Ridgely, W. Va. (See Md.)	
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Snagging and clearing	1,000,000
Emergency bank protection	1,000,000
Planning	3,318,000

Subtotals:

Preliminary examinations, surveys, and contingencies	5,000,000
Maintenance of completed work	3,220,000

Salaries, office, Chief of Engineers	570,000
Emergency repairs	1,000,000

Transfer to U. S. Geological Survey	375,000
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Transfer to U. S. Fish and Wildlife Service	100,000
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Total, flood control, general	339,491,100
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Flood control, general emergency fund	3,000,000
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Flood control, Mississippi River and tributaries	61,000,000
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Emergency fund, tributaries of Mississippi River	500,000
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Flood control, Sacramento River, Calif.	1,750,000
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Total, all flood control	405,741,100
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Planning funds of \$3,318,000 are agreed to. In the conference report, the following amounts are earmarked for the projects listed:	
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To be used	
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Whitter Narrows, Calif.	\$50,000
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Farmington Reservoir, Calif.	45,000
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Lucky Peak, Idaho	90,000
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Gavins Point Reservoir, S. Dak. and Nebr.	250,000
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Eufaula Reservoir, Okla.	400,000
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Bear Creek Reservoir, Pa.	200,000
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West Fork Reservoir, W. Va.	60,000
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Total	1,095,000
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Not to be used	
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Toronto Reservoir, Kans.	—\$30,000
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Tuttle Creek, Kans.	—35,000
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Boswell Reservoir, Okla.	—30,000
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Hugo Reservoir, Okla.	—30,000
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Pudding River, Oreg.	—29,000
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Gathright and Falling Spring, Va.	—35,000
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Total	—189,000
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The balance of planning funds is to be allocated by the Corps of Engineers to projects included in their justifications.	
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Rivers and harbors	
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PROJECT AND AMOUNT ALLOWED BY CONFEREES FOR CONSTRUCTION	
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Alaska: Wrangell Narrows	\$1,038,400
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California: Crescent City Harbor	500,000
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Los Angeles-Long Beach Harbors	253,000
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California—Continued

Napa River	\$865,000
Sacramento River	250,000

San Diego River and Mission Bay	900,000
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Connecticut:

Bridgeport Harbor	100,000
Clinton Harbor	61,800

New Haven Harbor	1,200,000
Norwalk Harbor	75,000

Stamford Harbor	45,000
Greenwich Harbor	71,400

Delaware: Delaware River, N. J., Pa., and Del., Philadelphia to the sea	500,000
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Florida:

Jim Woodruff lock and dam	8,000,000
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Hollywood Harbor (Port Everglades)	376,000
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St. Johns River, Jacksonville to Lake Harney	255,100
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St. Johns River, Jacksonville to the ocean	800,000
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St. Josephs Bay	378,400
Tampa Harbor	500,000

Savannah Harbor	1,020,000
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Illinois:

Mississippi River between Missouri River and Minneapolis, Minn. (Exclusive of St. Anthony Falls, Minn.)	1,000,000
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Mississippi River between Ohio and Missouri Rivers	9,000,000
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Iowa: Missouri River, Kansas City, Mo., to Sioux City, Iowa	3,000,000
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Louisiana:

Calcasieu River and Pass	500,000
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Waterway from Empire, La., to the Gulf of Mexico	250,000
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Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican border section, (New Orleans district)	2,000,000
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Pearl River, Miss. and La.	1,159,600
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Maine: Portland Harbor	1,300,000
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Maryland:

Baltimore Harbor and Channels	871,400
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Black Walnut Harbor	28,000
Duck Point Cove	26,000

Lower Thoroughfare, at or near Wenona, Deals Island	28,600
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Pocomoke River	6,000
Town Creek	32,500

Massachusetts: Fall River Harbor	750,000
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Michigan:

Grand Haven Harbor and Grand River	225,000
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Grand Traverse Bay Harbor	109,500
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Keweenaw waterway	75,000
Manistee Harbor	255,500

St. Marys River	3,000,000
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Minnesota:

Mississippi River between Missouri River and Minneapolis, Minn. (Exclusive of St. Anthony Falls, Minn.)	
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(See same project under Illinois.)	
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St. Paul Harbor	199,600
St. Anthony Falls	1,000,000

Two Harbors (Agate Bay)	500,000
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Missouri: Missouri River, mouth to Kansas City	2,000,000
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Montana: Missouri River at Fort Peck	3,700,000
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New York:

Black Rock Channel and Tonawanda Harbor	193,000
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Buffalo Harbor	500,000
Hudson River	269,000

New York and New Jersey Channels	2,200,000
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Wilson Harbor	300,000
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North Carolina: Cape Fear River, at and below Wilmington	1,264,500
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Ohio:	
Cleveland Harbor.....	\$2,000,000
Ohio River, open channel work.....	199,500
Oregon:	
Columbia River at Bonneville.....	500,000
Columbia and Lower Willamette Rivers below Vancouver, Wash., and Portland, Oreg.....	775,000
Columbia River between Vancouver, Wash., and The Dalles, Oreg.....	326,000
Longview Harbor.....	154,000
Coos Bay.....	1,500,000
McNary Lock and Dam, Columbia River, Oreg. and Wash.....	22,000,000
Saquina Bay and Harbor.....	109,400
Pennsylvania:	
Monongahela River (Lock 2).....	1,000,000
Schuylkill River.....	1,295,000
Rhode Island: Wickford Harbor.....	95,000
South Carolina:	
Charleston Harbor.....	178,000
Winyah Bay.....	856,600
Texas:	
Brazos Island Harbor.....	325,000
Houston Ship Channel.....	500,000
Neches-Angelina Rivers.....	1,818,100
Sabine-Neches waterway.....	480,000
The Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican border section (Galveston district).....	2,119,000
Trinity River, channel to Liberty.....	750,000
Virginia:	
Broad Creek.....	32,700
Cranes Creek.....	7,500
Hoskins Creek.....	25,000
Norfolk Harbor.....	108,000
Washington:	
Columbia River at Baker Bay.....	60,000
Olympia Harbor.....	187,000
Willapa River and Harbor.....	74,000
West Virginia: Morgantown Lock and Dam, Monongahela River.....	3,000,000
Planning.....	1,924,000
Subtotal, construction and planning.....	90,412,100
Maintenance.....	51,000,000
Operating and care.....	20,000,000
Examinations, surveys, and contingencies.....	2,050,000
Removing sunken vessels.....	300,000
Survey of northern and northwestern lakes.....	300,000
Prevention of deposits in New York Harbor.....	350,000
California Debris Commission.....	12,000
Salaries, office, Chief of Engineers.....	540,000
Printing for River and Harbor Board.....	40,000
River and Harbor Board expenses.....	400,000
Beach Erosion Board expenses.....	160,000
Work under sec. 3, Rivers and Harbors Act, Mar. 2, 1945.....	300,000
Transfer to U. S. Geological Survey.....	125,000
Transfer to Fish and Wildlife Service.....	1,000,000
Subtotal, maintenance, etc.....	76,577,000
Total.....	166,989,100

Planning funds of \$1,924,000 are agreed to. In the conference report the following amounts are earmarked for the projects listed:

Alabama-Coosa River.....	\$290,000
Arkansas River, Ark. and Okla.....	500,000
Bufoed Dam, Georgia.....	400,000
Calumet-Sag, Illinois.....	200,000
Total.....	1,390,000

The balance of planning funds is to be allocated by the Corps of Engineers to projects included in their justifications.

Mr. RIZLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. MURRAY].

(Mr. MURRAY of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. MURRAY of Wisconsin. Mr. Speaker, in order to keep this debate on the level it belongs, it might be well to spend a few minutes going into the history of this thing.

The first price-support program in the United States was probably in the twenties, when the Federal Farm Board was created and when some \$500,000,000 was appropriated. The money was used largely to support the price of wheat. It ended up, of course, as we all know, with about a 50-percent loss to the Government, though the answer is that the wheat farmers had the money, anyway, but the United States Treasury was out some \$250,000,000.

Then we drifted along until we had the advent of the so-called New Deal. Under the support program as then set up, there were only five crops involved, and there was a provision to support prices at 52 to 75 percent of parity. Like many of these things that we get into arguments about, being honest about it, we must admit some of this is due to world conditions, even at that time; and the situation being as it was, none of these programs had a chance to demonstrate their exact value or what they could accomplish.

Then we followed along up until shortly before we entered into World War II. Then we had the Committee on Banking and Currency under the Stabilization Act set up a support program, the members of the committee being the gentleman from Georgia [Mr. BROWN], the gentleman from Tennessee [Mr. GORE], the gentlemen from Michigan [Mr. WOLCOTT and Mr. CRAWFORD]. It was purely a bipartisan approach, and they set up this legislation of 90 percent of parity.

There is no use reviewing what we accomplished during the war. We did two things. There was probably no piece of legislation that ever stimulated production of agricultural products like the Steagall amendment. Why? Because these farmers know what the answer is for overproduction. They have been through many years of it. People would like to think that we had it pretty well solved in 1939, but we had in 1939 54-cent wheat, 5-cent hogs, and 8-cent cotton; in other words, we were bogged down in pretty near as bad shape as we were in 1932. But, in 1939 when we adopted this new set-up, the third thing we tried to do in connection with supporting prices in this country—and you will have to admit that with all of the mistakes that possibly have been made, and you and I probably have made many of them—but I think that every man that was here when Marvin Jones administered this program feels a sense of commendation much more than he was recognized for during the war years. With all due respect to Mr. Anderson, I have always observed, but I may be wrong,

that he did not spend as much time on this program as he did on some other programs, and I think the program has not worked out so effectively; it has been subject to more criticism than any other. But, that is not the fault of the law; that is the fault of the administration of the law. I want to call this to the attention of my good friend from Illinois, when the bill was introduced by the gentleman from Kansas [Mr. HOPE], the commodities that had the 90-percent support were the ones that were in the original program put through in 1933 or 1935, or whatever it was, and that is corn, cotton, wheat, rice, tobacco, and peanuts. That has been modified since in this bill or will probably be modified on this floor. I just recite that little history to show the constructive attempt that has been made in connection with this support program.

[Mr. DIRKSEN addressed the House. His remarks will appear hereafter in the Appendix.]

Mrs. DOUGLAS. Mr. Speaker, I shall vote for this price-support program based on parity to insure the farmers of this country a floor below which prices of farm products cannot fall. The basic principle behind this bill is sound. It has been proven to be sound. But it is strange, to say the least, that the leadership brings to the floor of the House such a bill at this time.

The farmers of the country are not in trouble today. The price of food is at an all-time high. The latest BLS figures show that the cost of living in April of this year was even higher than it was in January.

Our concern for the farmer today is unwarranted. There is certainly no imminent danger of surplus food on the farms and falling farm commodity prices.

The very real problem that does confront us, and with which we should be most concerned, is whether or not the city consumer can continue to buy enough food under present prices to maintain a balanced diet and keep the farmers prosperous.

If we were to have an economic bust in the country, then indeed the farmers would be in real trouble—as would everyone else. And then indeed this parity-price-support program would be helpful to him. But surely we are not going to proceed recklessly and permit economic disaster to overtake us.

Mr. Gallup, over the radio on Wednesday night, told listeners that his recent poll disclosed that the chief concern of voters today is not Russia but the high cost of living and housing—crowded living quarters are making life unbearable for so many people.

Of course, some of us know before Mr. Gallup took his poll that the high cost of living is the issue of greatest importance to the American people, and that housing is a very close second to the high cost of living.

I have been deeply concerned, as you know, about the rising cost of living, not only as it affects our domestic problems but as it affects our international problems as well.

I made a study of the prices of food in Canada, which I now call to the attention of the House. I inserted it in the

Appendix of yesterday's RECORD. It is a study of how price controls were handled in Canada. I found this information very interesting because Canada is so much like us as far as their wealth and natural resources and agricultural production, and so forth, are concerned.

They, too, have been exporting foods. In certain commodities they have exported more in proportion to their production than we have. Canada, as you know, had price control. Canadians wanted to remove those controls, just as we did. But they went about it in a very systematic and orderly way. They removed in 1947 practically all controls on foods and services except on sugar and rent. They retained their price-control machinery, however, while the Government very carefully watched to see what was going to happen to prices. When the price of food began to shoot up, they reimposed price controls at once. As a result, the Canadians have been able to check the rising cost of living.

As you will recall, I made a comparison of food prices before and after price controls were taken off and reported to the House 6 weeks ago. I have now compared our food prices with the Canadian food prices. You will find that the American people are paying 10, 15, or 20 cents more, item per item, than the Canadians, and that meat today is twice as high, or even two and a half times as high in this country as it is in Canada. I urge the Members to study this Canadian report. It is really very revealing. It appears in the Thursday, June 10, 1948, RECORD.

I think you will find illuminating the fact that, whereas the cheapest store in Washington sold 10 pounds of flour for 89 cents, in Canada the average price for the best grade of flour in Montreal was 60 cents. This same average price held throughout the Dominion.

Butter was 72 cents in Canada; in the United States it was 93 cents a month ago. Grade A large eggs were 49 cents a dozen in Montreal on May 12, 1948. In Washington a month ago they were 65 cents a dozen in the cheapest store. Three pounds of round steak were \$1.50 in the Dominion—\$1.51 in Montreal. In Washington they were \$2.76. And so on through every item for which we have comparable figures.

Members of this House will be particularly interested to note that in a large city in Canada, where prices are generally higher than in rural areas, lamb fores shoulder roasts were selling for 29 cents a pound. In Washington, D. C., the price of leg-of-lamb roasts on April 26, 1948, varied from 69 to 79 cents a pound. Shoulder roasts were approximately 59 cents a pound. Shoulder lamb chops were 39 cents a pound in Canada; in Washington shoulder chops varied from 69 to 79 cents a pound, and loin and rib chops from 89 cents to \$1.25 a pound. Steak in Montreal was under 60 cents. In Washington it varied from 89 cents to \$1.25.

I repeat, Mr. Speaker, what I have said many times before, that this Congress must act to check inflation if we are to keep our economy sound and make good on our commitments abroad.

Mr. RIZLEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. COLMER asked and was given permission to extend his remarks in the RECORD and include an address.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DIRKSEN. Mr. Speaker, on behalf of the gentleman from Washington [Mr. HORAN], I ask unanimous consent that he may have until midnight tonight to file a conference report and statement on the District of Columbia appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The conference report and statement follow:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6430) "making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1949, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 6, 7, and 46.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 8, 9, 10, 11, 12, 15, 16, 17, 18, 19, 21, 22, 23, 28, 30, 31, 32, 35, 36, 38, 40, 41, 42, 43, 44, 45, 47, 48, and 49, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$238,600"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$420,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert

"Capital outlay, Gallinger Municipal Hospital: For an additional amount for the construction of an incinerator, \$15,000."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 14, 20, 25, 26, 27, 29, 33, 34, 37, 39, and 50.

WALT HORAN,
KARL STEFAN,
RALPH E. CHURCH,
LOWELL STOCKMAN,
JOHN FOGARTY,

Managers on the Part of the House.

HENRY C. DWORSHAK,
JOSEPH H. BALL,
MILTON R. YOUNG,
HARRY P. CAIN,
JOSEPH C. O'MAHONEY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6430) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1949, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1 and 2: Make language corrections.

No. 3: Appropriates \$224,100 for the Executive office as proposed by the Senate, instead of \$232,600, as proposed by the House.

No. 4: Appropriates \$238,600 for the Office of the corporation counsel instead of \$245,600 as proposed by the House, and \$236,600, as proposed by the Senate.

No. 5: Appropriates \$594,000 for the Assessor's office as proposed by the House, instead of \$589,000, as proposed by the Senate.

No. 6: Appropriates \$316,000 for the Collector's office as proposed by the House, instead of \$311,000, as proposed by the Senate.

No. 7: Appropriates \$418,400 for the Auditor's office as proposed by the House, instead of \$408,900 as proposed by the Senate.

No. 8: Appropriates \$78,300 for the Department of Insurance as proposed by the Senate, instead of \$62,800, as proposed by the House.

No. 9: Appropriates \$145,200 for the Department of Weights, Measures, and Markets as proposed by the Senate, instead of \$148,200, as proposed by the House.

No. 10: Appropriates \$582,000 for General administration, Public Schools as proposed by the Senate, instead of \$586,000, as proposed by the House.

No. 11: Appropriates \$13,764,500 for General supervision and instruction, Public Schools as proposed by the Senate, instead of \$13,864,500, as proposed by the House. It is agreed by the conferees that the school officials may determine the positions to which this reduction shall be applied.

No. 12: Appropriates \$2,632,000 for operation of buildings and grounds and maintenance of equipment, Public Schools, as proposed by the Senate, instead of \$2,662,000, as proposed by the House.

No. 13: Appropriates \$420,000 for furnishing and equipping school buildings, Public Schools, instead of \$477,600 as proposed by the House, and \$400,000, as proposed by the Senate.

No. 14: Reported in disagreement.

No. 15: Appropriates \$1,201,000 for expenses necessary for the operation of the Public Library as proposed by the Senate, instead of \$1,221,000, as proposed by the House.

No. 16: Appropriates \$1,072,000 for operating expenses, Recreation Department as proposed by the Senate, instead of \$1,077,000, as proposed by the House.

No. 17: Appropriates \$281,000 for capital outlay, Recreation Department as proposed by the Senate, instead of \$296,000, as proposed by the House.

No. 18: Appropriates \$6,232,000 for expenses necessary for the Metropolitan Police as proposed by the Senate, instead of \$6,357,000, as proposed by the House. It is agreed by the conferees that the Police Department may determine the positions to which this reduction shall be applied.

No. 19: Appropriates \$3,653,000 for expenses necessary for the Fire Department as proposed by the Senate, instead of \$3,703,000, as proposed by the House.

No. 20: Reported in disagreement.

No. 21: Appropriates \$257,600, as proposed by the Senate, instead of \$255,200, as proposed by the House, for expenses, Juvenile Court.

No. 22: Authorizes an allowance of four cents per mile but not more than \$480 per annum for each automobile for dairy-farm

inspectors, Health Department, as proposed by the Senate.

No. 23: Authorizes six full-time chief medical officers, Gallinger Municipal Hospital, as proposed by the Senate, instead of five, as proposed by the House.

No. 24: Appropriates \$15,000 for an additional amount for construction of an incinerator, Gallinger Municipal Hospital, and strikes out the proposal of the Senate to appropriate \$30,000 for plans for a new psychiatric building, and the proposal of the House to provide \$300,000 for a new pediatrics building, together with contract authorization for such building in a sum not to exceed \$1,610,000.

No. 25: Reported in disagreement.

No. 26: Reported in disagreement.

No. 27: Reported in disagreement.

No. 28: Appropriates \$2,606,000, as proposed by the Senate, instead of \$2,631,000, as proposed by the House, for operating expenses, Department of Corrections.

No. 29: Reported in disagreement.

No. 30: Appropriates \$3,485,200, as proposed by the Senate, instead of \$3,535,200, as proposed by the House, for agency services, Public Welfare.

Nos. 31 and 32, in connection with operating expenses, protective institutions, Public Welfare: Inserts the words "Temporary Home for Former Soldiers, Sailors, and Marines," as proposed by the Senate; and appropriates \$2,244,400 for expenses of such institutions, as proposed by the Senate, instead of \$2,219,700, as proposed by the House. The conferees are vitally interested in the problem as to continuation of the National Training School for Girls, and request the District officials to make a study of the matter and report its findings and recommendations to the Congress prior to any final determination.

No. 33: Reported in disagreement.

No. 34: Reported in disagreement.

No. 35: Appropriates \$106,900 for expenses, central garage, as proposed by the Senate, instead of \$112,900, as proposed by the House.

No. 36: Appropriates \$3,265,000, as proposed by the Senate, instead of \$3,285,000, as proposed by the House, for operating expenses, Division of Sanitation, Public Works.

No. 37: Reported in disagreement.

No. 38: Appropriates \$1,152,000, as proposed by the Senate, instead of \$1,172,000, as proposed by the House, for operating expenses, Sewer Division, Public Works.

No. 39: Reported in disagreement.

No. 40: Corrects a typographical error.

No. 41: Strikes out the sum "\$2,661,000," as proposed by the Senate.

No. 42: Strikes out the provision of the House to appropriate \$20,000 for reclamation of Anacostia River Flats, as proposed by the Senate.

No. 43: Appropriates \$85,200 as proposed by the Senate, instead of \$95,200, as proposed by the House, for expenses for the National Guard.

No. 44: Appropriates \$1,500,000, as proposed by the Senate, instead of \$1,522,000, as proposed by the House, for expenses for the National Capital Parks.

No. 45: Appropriates \$492,600, as proposed by the Senate, instead of \$502,600, as proposed by the House, for expenses, National Zoological Park.

No. 46: Restores the proposal of the House relating to the auditing of vouchers covering expenditure of appropriations in the Act.

Nos. 47, 48, and 49, relating to the use of funds in the Act to pay the salary of any employee who is a member of any labor organization the officers of which have not complied with the requirements of subsection (h) of section 9 of the National Labor Relations Act, as amended: The House has receded from its disagreement to these amendments of the Senate.

No. 50: Reported in disagreement.

AMENDMENTS REPORTED IN DISAGREEMENT

The following amendments are reported in disagreement:

No. 14, relating to a survey of the public-school system. The House managers will move to recede and concur.

No. 20, relating to Capital outlay, Fire Department. The House managers will move to recede and concur.

No. 25, relating to funds for a pediatrics and crippled children's building. The House managers will move to recede and concur.

No. 26, relating to funds for a laboratory building, Health Department. The House managers will move to recede and concur.

No. 27, relating to the in-patient and out-patient rate, Freedmen's Hospital. The House managers will move to recede and concur.

No. 29, relating to the continuation of funds heretofore available, in connection with operating expenses, Department of Corrections. The House managers will move to recede and concur.

No. 33, relating to the construction of residences, District Training School. The House managers will move to recede and concur.

No. 34, relating to the item for support of Saint Elizabeths Hospital. The House managers will move to recede and concur with an amendment.

No. 37, relating to appropriations for construction of refuse transfer station, and garage and shops building, Division of Sanitation, Public Works. The House managers will move to recede and concur.

No. 39, relating to the appropriation for construction, Sewer Division, Public Works. The House managers will move to recede and concur with an amendment.

No. 50, relating to the purchase of typewriters by the District of Columbia government. The House managers will move to recede and concur.

WALT HORAN,
KARL STEFAN,
RALPH E. CHURCH,
LOWELL STOCKMAN,
JOHN FOGARTY,

Managers on the Part of the House.

ISSUANCE OF LAND PATENT TO CERTAIN PUBLIC LANDS IN HAWAII

Mr. WELCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6252) to authorize the issuance of a land patent to certain public lands, situated in the county of Kauai, T. H., for school purposes, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 7, after "Lots", insert "117."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CORRECTION OF ROLL CALL

Mr. SIKES. Mr. Speaker, I am advised that on roll call 100, I am not recorded. I was present and voted "Aye." I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION TO FILE REPORTS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file the reports on the bills H. R. 5464, H. R. 4962, H. R. 451, H. R. 4159.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday I asked unanimous consent to extend my remarks and include a very fine article by Bernard Baruch regarding what the United States has done for the world during the war and since. I find the cost is \$284. Notwithstanding the additional cost, I ask unanimous consent that it may be included.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I also ask unanimous consent to extend my remarks and include an editorial from the Washington Daily News.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. STRATTON asked and was granted permission to extend his remarks in the RECORD and include an editorial from the Illinois State Journal.

STABILIZING PRICES OF AGRICULTURAL COMMODITIES

Mr. HOPE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6248, with Mr. ANDERSON of California in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Kansas [Mr. HOPE] is recognized for 30 minutes.

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

Mr. WORLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. WORLEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD following the remarks of the gentleman from Kansas.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HOPE. Mr. Chairman, it would be very interesting to go into a general discussion of the high cost of living, the price of agricultural commodities, the income of farmers compared with the income of the rest of the population, and all that sort of thing, but I will not take the time to do it now. I believe my time can better be employed by explaining as briefly as I can just what this bill does. That is what I will proceed to do at this time.

This bill extends the provisions of various price support programs, some of which have been in effect since the 1938 AAA Act, and others which were inaugurated during the war period.

I want to briefly go through the bill, section by section. Section 1 (a) deals with the basic commodities, wheat, corn, tobacco, rice, cotton, and peanuts. It provides that prices on those commodities shall be supported at 90 percent of parity until June 30, 1950.

I might explain it is not intended to support the price of crops grown or produced in 1950, but the extra 6 months is added in order to take care of the marketing of crops which are grown in 1949.

The 90 percent provision applies to all farmers who cooperate in the program, provided marketing quotas have not been disapproved by producers.

Another change which the bill makes, as compared with the previous law, is that under this bill the method of price support not only includes loans but also purchases, and other market operations on the part of the Commodity Credit Corporation, thus giving an opportunity to put into effect a broader program than would otherwise be the case.

Section 1 (b) deals with what are known as Steagall commodities. These are the commodities which are covered by the so-called Steagall amendment which was a part of the stabilization act passed during the war, and which provided in effect that as to those commodities upon which the Secretary of Agriculture or the War Food Administrator might ask farmers to increase production, a support price of not less than 90 percent of parity would be put into effect.

In this bill as reported we provide with one exception that in the case of Steagall commodities the price support for the period between December 31, 1948, and June 30, 1950, shall be not less than 60 percent of parity rather than not less than 90 percent as is the case at the present time.

The exceptions in this bill as to the Steagall commodities are on milk and its products. These are to be supported at 90 percent of parity. That is the only exception contained in the bill which you have before you, but the Committee on Agriculture has directed me to offer a committee amendment which will include along with milk and its products, hogs, chickens, and eggs as commodities to be supported at not less than 90 percent of parity with the further provision that potatoes harvested before

January 1, 1949, shall be supported at not less than 90 percent.

Another provision contained in this bill and which is not included in the present law is this—and I quote:

In carrying out the provisions of this subsection the Secretary of Agriculture shall have authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

That provision will enable the Secretary of Agriculture to impose production goals and marketing regulations upon commodities which are in overproduction or threatened overproduction; in other words, it will give him some authority to deal with a situation like the potato situation with which we have been confronted for the past 3 years.

Section 1 (c) extends price supports on wool.

Section 1 (d) is an extension of a provision in existing law which provides that agricultural commodities, other than those included in the provisions of sections 1a, 1b, and 1c, may be supported through lending and purchase operations of the Department of Agriculture to the extent that funds are available for that purpose. In the case of those commodities we have included the provision that the Secretary of Agriculture as a prerequisite to support shall require compliance with production goals and marketing regulations. This affords some control over actual or anticipated overproduction.

Section 2 simply provides that from any funds available to the Department of Agriculture or any agency under its direction for price support or surplus disposal the Secretary is authorized to use such amounts as may be necessary to carry out the provisions of section 1.

Section 3 is a restatement of section 22 of the Agricultural Adjustment Act as reenacted by section 1 of the Agricultural Marketing Agreement Act. It broadens the present section 22, which I am sure most of you know authorizes the President upon a certain showing being made to put into effect an import fee or an import quota upon those commodities the importation of which renders ineffective or materially interferes with a price-support program. At the present time there are in effect import quotas upon certain types and kinds of cotton and upon wheat and wheat flour. As far as my recollection goes, there are no quotas on other commodities at this time. You can very easily see the reason for the provision. There is no logic and no reason in supporting the price of an agricultural commodity in this country if we are going to permit that program to be rendered ineffective by imports.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from New Jersey.

Mr. HAND. The gentleman from Kansas has made a very clear explanation of this bill. I want to assure him, in the first place, that I certainly intend to support this measure. But we have this situation in New Jersey. We have six so-called basic commodities, three of which probably are basic—wheat, corn,

and cotton. Then we have added peanuts, rice, and tobacco. That is very nice and very fine for the sections that are interested in those crops.

What are we going to do in this bill or in the long-range program in connection with fruits and vegetables, asparagus, tomatoes, garden truck and such which is raised in my State of New Jersey and which supplies incidentally those commodities to the tables of two of the largest cities in America? I am wondering how they fare under this program and whether the gentleman considers this program is entirely equitable with respect to those crops. I know the gentleman is concerned because I discussed the matter with him. Of course, I know one of the difficulties is that those crops are perishable and it is hard to handle them under a parity program, but I would like some assurance from the gentleman that this bill or some subsequent legislation is going to take care of the farmers in New Jersey as well as the farmers of the Middle West and South.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HOPE. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, the gentleman has asked me a very pertinent question and one that I know is of general interest to the producers of such crops as fruits and vegetables in all sections of the country. It is certainly a proper question to be asked at this time. The gentleman himself has pointed out that one of the difficulties in carrying out a loan or purchase program on such commodities is that they are perishable. However, I may say to the gentleman from New Jersey that in my opinion there is just as great an obligation on the part of the Government to protect the producers of those commodities he mentioned as there is to protect the producers of the basic commodities. The fact it cannot be done in the same way is no reason why we should not attempt to support and maintain the prices of those commodities insofar as there are means available to do so. I think the answer to the gentleman's question is not to be found in a price-support program identical with those on storable commodities, because that would not be practical, but I think it is to be found in efforts which may be made and devices which may be used to expand the consumption of agricultural commodities; by the more extensive use of marketing agreements, and in the stop-loss support at a lower percentage of parity than 90 percent.

In this bill today we are seeking to taper off wartime price support and build a bridge to a comprehensive long-range program. Certainly the question which my good friend from New Jersey raises is one which must be given every consideration in the working out of such a program.

The immediate effect of this bill is merely to extend an existing program which does not, except in a few instances, cover the commodities to which the gentleman from New Jersey refers.

Mr. HAND. I am very thankful to have the gentleman's assurance.

Mr. Chairman, under permission previously granted me in the House, I am extending at this point in the RECORD telegrams and other communications relating to this subject:

BRIDGETON, N. J., May 30, 1948.

Hon. T. MILLET HAND,
House Office Building,
Washington, D. C.

DEAR MR. HAND: The organization of which I am secretary, the New Jersey-Pennsylvania Cooperative Tomato Growers Association, representing tomato growers in the New Jersey-eastern Pennsylvania area, favor a system of Government support similar to that employed by the six so-called basic commodities. We feel that it is very important to the economy of the country that farm income be maintained in line with other segments of our economy. This support set-up, which is substantially a method of keeping supply within demand, seems to us to be the only remaining approach to what has heretofore been a chaotic condition. As you may know, our organization, in conjunction with growers groups from California, Utah, Indiana, and New York State, have been strongly resisting cuts of substantially \$4 per ton on can-house tomatoes. The only weapon growers have at their disposal is not to grow. It seems a crime against humanity that farmers working together country-wide must create a condition of scarcity to the detriment of the consumer in order to achieve cost of production. To us it seems only wise that American agriculture should be kept in a position of preparedness, just as important to America as our Army, Navy, and 70-group Air Force. If it is fair for the Government to grant the United States railroad an increase on freight rate and run our fertilizer prices up \$5 per ton, is it too much to ask the Government to give us a hand? Organized agriculture is rapidly learning the methods of other economic groups, and we feel that Government's place as an arbitrator in the future will be very necessary for the well-being of all in America. In the Aiken bill we feel that the door should be left open for organized fruit and vegetable growers to write their own program for the acceptance or rejection of the Secretary of Agriculture and his Department. We ask for your support in this matter.

Sincerely,

JOSEPH G. HANCOCK.

BRIDGETON, N. J., May 30, 1948.
Congressman T. MILLET HAND,
House Office Building,
Washington, D. C.:

Bringing to your attention the thinking of fruit and vegetable growers in State regarding S. 2318; large number of commodity organizations and county boards of agriculture have gone on record in favor of price support for fruit and vegetables because of the poor economic position of these commodities. We strongly feel they should have the same treatment in any long-range agricultural bill as the six basic crops. We are now working on an amendment to cover this. However, if bill is brought on floor of Senate and passed before our amendment is presented, wish to present it to House and conference committee.

KENNETH S. ROBERTS,
President, Cumberland County
Board of Agriculture.

BRIDGETON, N. J., May 30, 1948.
T. MILLET HAND,
House Office Building,
Washington, D. C.:

Bringing to your attention the reaction of the New Jersey Cooperative Asparagus Growers Association, Inc., regarding S. 2318. This organization with a large number of other State organizations have gone on

record in favor of price support fruits and vegetables. In 1947 processed asparagus growers took a 45-percent cut in price. This is ruinous and will drive an \$8,000,000 raw-product commodity out of State. In 1948 this association was able to get for growers one-half cent increase which merely covers increase cost over 1947. We strongly feel we should have the same protection in any long-time agricultural bill as six basic crops. Vegetable growers now working on an amendment to cover this. However, if bill is brought on floor of Senate and passed before our amendment is presented, wish to present it to House and conference committee.

GEORGE N. SHILLINGSBURG,
Secretary.

VAUX HALL FARMS,
Bridgeton, N. J.

Hon. T. MILLET HAND,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: In reply to your letter I feel that it is very necessary to start a long-range agricultural program. We who produce the so-called nonbasic vegetables, etc., feel that we should have the right to decide and to have some protection similar to that given the basic products. I insist that we should lock the door before the horse is stolen and not do what we did after the last war—let everything go down for agriculture too fast—and, of course, drag everyone along with us. I feel that if we can keep our economy more nearly on a level, we can avoid the terrific spectacle of the last depression.

You see, we are taking a \$4 per ton cut on tomatoes. Our costs are 15 percent higher. Labor and management will not accept any cut, so what? The only alternative we have is to abandon acreage and that means that those who are not at fault may suffer.

I feel that the Aiken bill is in the right direction, but a long way from perfect. I trust you will use your best efforts.

I am enclosing a letter sent to the membership of the tomato growers after a 3-month battle, which will show you what we are trying to do for ourselves.

Sincerely,

HOWARD B. HANCOCK.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from North Carolina.

Mr. BONNER. I have listened to the reference the gentleman made to the potato crop. What provision is made after January 1949, for the support of the potato crop?

Mr. HOPE. The provisions of this bill extend price support on all the Steagall commodities of which potatoes is one, until June 30, 1950, at not less than 60 percent of parity. The amendment which will be offered as a committee amendment provides that as to potatoes produced in 1948 there shall be a support price of 90 percent of parity, notwithstanding the fact that they may not be sold during the calendar year 1948. Potatoes produced in 1949 will have a support price of not less than 60 percent of parity.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

[Mr. WORLEY addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. FLANNAGAN. Mr. Chairman, I yield myself 9 minutes.

Mr. Chairman, I am indeed sorry that so few Members are present at this time. I had hoped that some of the Members from the city districts would be present because I am afraid that they do not understand the nature of this piece of legislation. Let us get a few things straight. There is no connection in the world between the price-support program and the price-control program. We had the price-support program long before we ever heard of the price-control program.

Now, as to the price-support program: Prior to its adoption, in order to place the farmers upon an equality with the other segments of our society, we adopted what is known as the parity concept. The parity concept only attempted to give to the farmers' dollar the same purchasing power that the laboring man's dollar and the consumer's dollar and the industrialist's dollar enjoyed. Under the parity concept, remember this. If wages go down, the price of farm products go down proportionately. If the industrialist's dollar goes down, the farmer's dollar goes down proportionately. If the consumer's dollar goes down, the farmer's dollar goes down proportionately. It was only an attempt to give the farmer's dollar the same purchasing power enjoyed by the consumers and the industrialists and the laboring people of America.

Another thing. While the parity concept was fine, and a great step in the right direction, it was meaningless because the farmers had no way of organizing to keep farm prices at parity. The laboring man has his organization. He organizes and selects a representative to bargain collectively for him. He deals collectively through a representative, and he is able to protect the wage scale.

The industrialist has always been able to take care of himself, but here were the farmers, disorganized, and, so far as protective prices, helpless. It was impossible for them to organize, and consequently the farmers had no say-so on how their farm commodities were priced.

The next step we took was to put a support price of 90 percent under the farmer's dollar. We said through this support-price program, "Mr. Farmer, we are going to see to it that your dollar will never go below 90 percent of the purchasing power of the other dollars of America." That is right. I want the city Representatives and the Representatives of labor districts to know this. Since these two programs were inaugurated, many representatives of the consumer interests and the laboring interests have appeared before our committee, and they have been interrogated time and time again as to whether they thought the price-support program was a sound program and should be continued. I have never heard a representative of labor or a representative of the consumer groups of America question the soundness of the support-price program. On the other hand, every one of them endorsed it 100 percent.

Now it seems from some of the arguments we have heard this afternoon that there are those who couple up the farm price-support program with the price-

control program. The price-control program has no place in this picture. You cannot connect a price-control program with a farm price-support program. There is no way in the world you can, because they are based upon entirely different concepts. I am not here to discuss a price-control program. We are not called upon at this time to discuss such a program. Whether it is right or whether it is wrong does not enter into this piece of legislation. Let us keep our eye on the squirrel and consider this piece of legislation for what it is worth. I dare say there will not be a representative of the consumers or the labor groups, when they understand this piece of legislation, that will come up here and vote against the farm price-support program, because I know they want to treat the farmers of America fairly. They have in the past gone along with us on every piece of farm legislation, and I know they will continue to do so. It is the only program that enables this Government to see that the farmers of America are given a square deal, and I know they want to see this done.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The statement was made on the floor throughout the afternoon that the farmers of the country were rolling in money; that they had paid off all their mortgages; and that the country banks, where the farmers bank, are just full of money. Is it not a fact that more than 7,000,000 people in the last 7 or 8 years have left the farm and moved to town because of the more lucrative employment that has been found in the city, Mr. FLANNAGAN? They have moved there for two reasons: First, because they find life more agreeable in the cities. You know you do not have 8-hour workdays on the farm, and then, too, most farms do not have modern conveniences. In the second place, due to the high wage scales prevailing in most cities, they can make more money. Since you raised that question, I want to call attention to another thing: The farmers are not rolling in money. Many have not paid back what they owe on the debts that accumulated over the years. Do not forget that for years and years, ever since I can remember—until here recently—the farmers of America fed the people of this country at a loss. That was the reason they found themselves in such a plight in the early thirties when we saw farm prices go down to practically nothing; until they were burning corn in some sections because it was a cheaper fuel than coal, and, too, they did not have the money to buy coal; and thousands upon thousands of farms in America were being sold at public auction for a mere pittance because the farmers did not have the money to redeem their farms, nor could they find any place to borrow the money. I hope this legislation will have the unanimous support of the Congress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield such time as he may desire to the

gentleman from Kentucky [Mr. CHAPMAN].

Mr. CHAPMAN. Mr. Chairman, this bill provides for the continuance of price support for farm products until June 30, 1950. Unless they are extended by the action of this Congress price supports will terminate December 31, 1949. To permit this vital part of the farm program to expire on that date would be a calamity. I would prefer that price supports be extended through a much longer period than that provided for in this bill, but I realize that the members of the Committee on Agriculture have agreed on this extension as a compromise of their differences on the subject, and I earnestly hope this bill will become a law before the sine die adjournment of this Congress.

MILK, HOGS, POULTRY, AND EGGS

It is proposed to continue until June 30, 1950 the support price in the amount of 90 percent of the parity price of the basic farm products. Among those not classified as basic products for which a support price of 90 percent of parity is provided by this bill as the support price are milk and milk products. The decision of the committee to provide for 90 percent of parity as the support price for milk and its products is justified by economic conditions and is a commendable provision of this bill. An amendment will be offered, and I hope adopted, to include the other nonbasic commodities as hogs, poultry, and eggs in the classification of products entitled to a support price amounting to 90 percent of their parity price.

SUPPORT PRICE FOR TOBACCO

As the Representative of the largest Burley tobacco producing district in the world I have observed closely the effect of this price support plan on the welfare of tobacco growers and the economy of my own State of Kentucky, in which tobacco is the principal money crop and the chief source of income. Other plans have been proposed, but I am in favor of continuing the present plan which has been tested by time and experience and proved eminently satisfactory and highly beneficial to the tobacco growers of this country. The same reasons that cause Burley tobacco growers to want a continuance of this price support plan apply with equal force to the growers of dark air-cured and fire-cured tobacco in Western Kentucky and Tennessee, because under the terms of the Clements Act of 1945 the price support of those types of tobacco is based on the price support of Burley tobacco. Experience has proved the wisdom of adhering to this plan.

AIKEN BILL

A bill has been reported by the Senate Committee on Agriculture that would change the definition of parity price and the present system of computing price-support loans at 90 percent of parity. That bill would set up a variable period for computing parity in lieu of the fixed-base period now in effect. It would establish a sliding scale of price supports in lieu of the constant 90 percent of parity as the yardstick by which the support

price is now measured. It would substitute for the plan which has brought stability to tobacco markets and prosperity to tobacco-producing areas a changing, shifting price-support plan that would be in effect, a flexible yardstick for the measurement of price supports. Under the terms of the Senate bill reported from the Committee on Agriculture by the Senator from Vermont [Mr. AIKEN], price supports could range from 60 percent of parity with a large crop to 90 percent of parity with a small crop. In a year of large production and consequently declining prices the price support would decline also and be of little, if any, benefit to the growers at the time price support is a necessity to the hundreds of thousands of people dependent upon tobacco for a livelihood. In years of a short crop when prices would naturally be high the support price would be higher also, but that would be of benefit to few, if any, growers, because with the short crop and high price growers would not want price-support loans and would have no occasion to avail themselves of the loans provided by law. It is true that under present conditions the sliding scale of flexible price supports would result in a comparatively high support price based on the variable definition of parity, but the flexible yardstick for computing price support could in some years bring disaster to tobacco growers who through the long years of depending upon tobacco as their principal source of income have suffered economic disaster many years.

This tobacco program has met successfully the test of experience through the years since the Congress established it. The present price-control plan, consisting of 90 percent of parity, is a vital element of the entire tobacco program and ought to be continued indefinitely. There is grave danger in making drastic changes in a plan that has worked so well and in disrupting a program that has brought unexampled benefits to the several States in which tobacco is a major farm product.

TOBACCO GROWERS AGREE ON PROGRAM

Upon my suggestion a group of representatives of Flue-Cured, Burley, Dark Air-Cured, and Fire-Cured tobacco growers, representing all types of tobacco participating in the production-adjustment program and all States producing those types of tobacco, met at the Ambassador Hotel in Washington, D. C., on April 23, 1948, and formulated plans for the continuance of the tobacco program, which they presented at a public hearing, which I had arranged with the Senate Committee on Agriculture for April 24, 1948. At that preliminary conference this representative group of tobacco growers and farmer spokesmen agreed on five primary policies, which on the following day they presented to the Senate Committee on Agriculture as follows:

First. Continue the present method of computing normal supply of tobacco in determining the amount of the national quota.

Second. Continue the present definition of parity price.

Third. Continue price-support loans at the present percent of parity, in accordance with present law.

Fourth. Continue section 2 of Public Law 163, of the Seventy-ninth Congress, approved July 28, 1945. This section applies to the support level for fire-cured and dark air-cured tobacco.

Fifth. Provide for marketing quotas for types of tobacco now under quota and for Virginia sun-cured tobacco.

WANTS QUOTAS NOTWITHSTANDING FORMULA

The only point in that program not already included in the present law is the suggested provision that the Secretary of Agriculture be authorized to proclaim marketing quotas and call for a referendum of growers upon the expiration of present quotas and for the inclusion under quotas of Virginia sun-cured tobacco, regardless of the present statutory formula. That means that we are united in advocating that upon the expiration of the present quotas, the Secretary shall call for a referendum of growers of all types of tobacco now under quota, and that he include in that proclamation the producers of Virginia sun-cured tobacco, which is produced in a comparatively small area in the State of Virginia, is marketed in one warehouse at Richmond, Va., and is used for the same general purposes for which the dark fire-cured tobacco of western Kentucky and Tennessee is used. That type of tobacco has never been able to come within the requirements of the statutory formula for the proclamation of quotas by the Secretary of Agriculture. For the benefit of its producers and for the production of the producers of the competing dark-fired tobacco, it ought to be a part of the quota system.

Precedent for quotas regardless of the statutory formula was the act of Congress in July 1943, in the midst of the World War, when quotas were abandoned on all other farm products, and it became apparent that quotas on burley and flue-cured tobacco would be abandoned also. It was obvious that during the World War with high prices prevailing, the lure of 40 to 45 cents per pound for tobacco would induce the wholesale spreading of burley territory outside the Burley Belt, which would result in economic ruin to the entire burley-producing section of this country in the aftermath of war. There was no need then for quotas for dark air-cured or fire-cured tobacco. They would have been included if the growers had so desired or the economists of the Department of Agriculture had thought quotas desirable. There was little demand for those types of tobacco, but there was an unprecedented demand for burley and flue-cured tobacco, the basic ingredients in the American type of blended cigarette, for which there existed an enormous domestic demand and which was being supplied in huge quantities to our armed forces in every part of the world. Our unofficial tobacco committee in the House of Representatives determined to enact a law providing for the continuance of burley and flue-cured quotas regardless of the statutory formula. The bill was introduced by me, was enacted into law, and saved the burley section from economic disaster similar to that

which befell it following the First World War. The unanimous decision of the growers' conference on April 23, as stated at the hearing the following day, was that the theory of the act of July 1943 ought to be written permanently into the tobacco program.

WE WANT TO KEEP PRESENT PROGRAM

The five points enumerated above represent the best thought of the tobacco growers of this country and if adhered to would constitute a long-range tobacco program that would be the best assurance of a fair price for the principal product of the soil and the toil of hundreds of thousands of farm families whose principal money crop is tobacco. The Agricultural Adjustment Act of 1938 as amended was the basis of our national farm program. Its operation in the field of tobacco has proved to be the most successful and beneficial farm program in the history of the country. The fixed base period for computation of parity has been tried and proved successful. Ninety percent of parity as the support price of burley and flue-cured tobacco has successfully met the test of experience. The support price for dark-fired tobacco, amounting to 75 percent of the support price of burley, and the support price of dark air-cured tobacco, amounting to 66⅔ percent of the support price of burley, as provided by the Clements Act of 1945, have already saved the growers of those types from disastrously low prices. The continuance of this support price of 90 percent of parity is equivalent to an insurance policy to protect tobacco growers from a recurrence of economic collapse and financial ruin such as followed the First World War. Let us continue this price-support plan, which is our best defense against the bankruptcy and ruin which brought want and woe, desperation and despair to the tobacco growers of this country before this price-support system was enacted into law.

(Mr. CHAPMAN asked and was given permission to revise and extend his remarks.)

Mr. HOPE. Mr. Chairman, I have no further requests for time.

Mr. FLANNAGAN. Mr. Chairman, we have no further requests for time on this side.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that section 1 be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Section 1 of the bill is as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed through any instrumentality or agency within or under the direction of the Department of Agriculture, by loans, purchases, or other operations—

(a) to support prices received by producers of cotton, wheat, corn, tobacco, rice, and peanuts harvested before December 31, 1949, if producers have not disapproved marketing quotas for such commodity for the marketing year beginning in the calendar year in which the crop is harvested. The price support authorized by this subsection shall be made available as follows:

(1) To cooperators (except cooperators outside the commercial corn-producing area,

in the case of corn) at the rate of 90 percent of the parity price for the commodity as of the beginning of the marketing year;

(2) To cooperators outside the commercial corn-producing area, in the case of corn, at the rate of 75 percent of the rate specified in (1) above.

(3) To noncooperators (except noncooperators outside the commercial corn-producing area, in the case of corn) at the rate of 60 percent of the rate specified in (1) above and only on so much of the commodity as would be subject to penalty if marketed.

All provisions of law applicable with respect to loans under the Agricultural Adjustment Act of 1938, as amended, shall, insofar as they are consistent with the provisions of this section, be applicable with respect to loans or other price-support operations authorized under this subsection.

(b) To support until December 31, 1949, a price to producers of commodities with respect to which the Secretary of Agriculture by public announcement pursuant to the provisions of the act of July 1, 1941, as amended, requested an expansion of production of not less than 60 percent of the parity or comparable price therefor nor more than the level at which any such commodity was supported in 1948. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this subsection if the production or consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for the commodities referred to in (a) hereof.

(c) Sections 1 and 3 of the act approved August 5, 1947 (Public Law 360, 80th Cong.), are amended by striking out in each section the date "1948" wherever it appears and inserting in lieu thereof the date "1949".

(d) It is hereby declared to be the policy of the Congress that the lending and purchase operations of the Department of Agriculture (other than those referred to in subsections (a), (b), and (c) hereof) shall be carried out so as to bring the price and income of the producers of other agricultural commodities not covered by subsections (a), (b), and (c) to a fair parity relationship with the commodities included under subsections (a), (b), and (c), to the extent that funds for such operations are available after taking into account the operations with respect to the commodities covered by subsections (a), (b), and (c), and the ability of producers to bring supplies into line with demand.

Mr. HOPE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ANDERSON of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 6248, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. STEVENSON (at the request of Mr. ARENS), for June 12 and 14, on account of official business.

To Mr. HERTER (at the request of Mr. AUCHINCLOSS), for 2 days, on account of illness.

To Mr. SMITH of Ohio (at the request of Mr. MCGREGOR), for the remainder of the week, on account of death of his sister.

SOCIAL SECURITY BENEFITS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to insert at this point a brief analysis of H. R. 6379, introduced yesterday by me, the substance

Appropriation for Triple A

EXTENSION OF REMARKS OF

HON. JAMES W. TRIMBLE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1948

Mr. TRIMBLE. Mr. Speaker, one of the most enterprising farmers of the Third Congressional District of Arkansas is Ralph Hudspeth, who lives near St. Joe in Searcy County. I have known him many years. He is the type of farmer we in the Congress can take great pride in having supported in the past. I do hope that we continue to support far-sighted, active young men like Ralph. He was here a week or so ago and testified before the Senate Appropriations Committee. I ask permission to insert a copy of that testimony in the RECORD as a part of my remarks:

I am Ralph Hudspeth, livestock farmer in Searcy County, Ark. I am here today speaking for myself as a farmer who operates a livestock farm and for thousands of other farmers in my section of the State. At a meeting of farmers in our part of the State not long ago, I was selected to come up here and tell you gentlemen what we farmers think of the appropriation you are now considering for the agricultural conservation program which you call conservation and land use, but which is known by farmers all over the country as the Triple-A program.

As I said before, I am speaking for thousands of farmers. In the 10 counties in the Third Congressional District of Arkansas there are 25,000 farmers. I feel sure that if any or all of these farmers were here today they would give you about the same information and express about the same opinions that I am going to give you.

In the first place I would like to mention the appropriation for this year's triple A farm program, the 1948 program year. As approved by the House, the appropriation for this most necessary work would be only \$150,000,000 which isn't anywhere near enough to do the conservation job that needs to be done. I have heard that you have been getting reports that any increase in triple A appropriations could not be effectively used this year in increasing conservation because it is too late in the year. This report is that farm plans have been made and operations are under way and any increase in assistance will not get any increase in conservation. This is far from the truth in Arkansas and I feel sure it is far from the truth in much of the Nation. If you will recall, last year there was a period of about 5 or 6 weeks before the appropriations was finally approved when farmers didn't know whether there would be any assistance or not and what a lull there was in conservation work. When the appropriation was finally approved, farmers redoubled their efforts in conservation work and in Arkansas carried out conservation practices in excess of the amount for which assistance was available.

Farmers in Arkansas are just now starting their farming operations and farming plans and operations are sufficiently flexible to permit changes to permit more conservation if assistance is available. In our State many of the conservation practices are executed in the summer and fall months.

We believe that the appropriations should be not less than \$300,000,000 with sufficient funds of not less than \$37,000,000 for administration.

In the event additional funds are not made available farmers will not carry out needed conservation practices because they are not financially able to do so. Too, it has a tendency to cause farmers to lose faith in the Government in that the Government is failing to do its part of the soil-saving job. If such funds are made available, they will be used. Terraces, ponds, and application of minerals such as limestone, phosphate, and potash as well as other pasture practices will be carried out. These practices are the major practices in our section and are carried out after September 1 as a rule.

Reasons for stabilizing appropriations:

1. It will give State, county, and community committees a definite goal whereby they can plan better conservation practices.

2. The program will be more effective if the committees and farmers have something definite to work toward. The farmers are at a loss to know how to plan future conservation practices not knowing what amount he will get as aid from his Government. Therefore, he is limited to what cash he has on hand.

3. With a stabilized program we can train and hold personnel and thereby make a more effective and efficient program. As it now is we cannot hold trained personnel because: (1) The appropriations are too uncertain; (2) Other agencies offer our help more money about the time we get them trained to do the job.

4. With a stabilized program the committees will be more interested because a long range program can be planned and the farmers and committees can work toward that end.

5. By stabilizing the appropriation there will be better trained committees because they will be used more in contacting the farmers which will cause more interest to be shown in the conservation program.

The community committeemen serve as the backbone of the conservation program. It is the duty of the community committeeman to carry the program out to his farmer neighbors thereby laying the foundation for the educational phase of the program. We sincerely feel that the community committeeman is the proper one to carry on the informational work of the program. He should, therefore, be given the experiment station's findings for this purpose.

The farmers of my area ask that the \$500 limitation in payments be removed from the bill because:

1. Conservation needs are not based on individuals but on needs of land.

2. Big farms as well as small need assistance.

3. Big operator is in little better position to pay all cost.

4. Tenants on big farms benefit from conservation as well as operators.

In the past years the farmers have over-earned the appropriation of money. You might say they are just now getting sold on the needs of conservation. For instance, in 1947 our district had \$594,707 allocated for conservation assistance, but actually carried out conservation practices to a total program value of \$826,583.49; that is, they over-earned the allocation by \$231,876.49. If we figure on the same basis in 1948, the farmers of northwest Arkansas under the \$150,000,000 program will over-earn a half million dollars. This is less than 50 percent of the amount of conservation needed in our district. Now, I understand in setting up the money for conservation practices the plan is for the Government to pay approximately one-half the actual cost of carrying out practices. If that is right, in 1947 the Government paid less than 36 percent of the cost of the conservation that was carried out in northwest Arkansas. Assuming that the same amount of conservation is carried out in 1948 under a

\$150,000,000 appropriation, the Government will be paying less than 17 percent of the actual cost of all conservation carried out in the Third Congressional District of Arkansas.

Now, gentlemen, we feel that soil conservation is a public responsibility. The farmers are not financially able to do the job alone. Furthermore, the present generation is not responsible for the present conditions of our soil. In order to elevate the health and wealth of the Nation, the farmers must have something more than technical assistance. Technical assistance is fine, yes, but if technical advice is all the farmer can get from his Government, there will be very little conservation carried out, as was demonstrated before the triple A was started. With the fine service offered by the Soil Conservation Service, they are able to get only a very small amount of conservation carried out without PMA payments.

I know this is true on my own farm. I need more conservation, but I am forced to limit the amount of conservation carried out in keeping with the amount of assistance I can get from the Government. When my farm allowance was built up at \$1 per acre of cropland, I was able to carry out more conservation than I will be able to carry out this year where my farm allowance is built up at \$0.25 an acre. I know that if I could carry out more conservation this year, you could eat better beef and your children would be healthier, but it would not increase my profits sufficiently that I could afford to do it. Therefore, it will not be done. I am sure there are thousands of other farmers that figure the same as I do.

We farmers in northwest Arkansas are eager to cooperate with you in your future action on programs. I wish to thank you for the privilege of coming before your committee this morning.

Humor as a Weapon Against Dictators

EXTENSION OF REMARKS OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

*Friday, June 11 (legislative day of
Tuesday, June 1), 1948*

Mr. WILEY. Mr. President, we have all heard much about the ineptness of some of the Voice of America programs. Funds have been used in many radio broadcasts overseas which have been not only stupid and vicious, but un-American. Many of the broadcasts have been completely ineffective because they were completely over the heads of the listeners. I believe that we have got to straighten out this overseas information program so that it will fulfill the actual intentions of the Congress in the war of ideas against communism.

Recently, at the invitation of the Overseas News Agency, I released a statement which has been published in many American newspapers on the matter of using humor as a weapon against dictators—humor which can be universally understood, which is simple, direct, and appealing. Humor can be overused, obviously, and can boomerang, so precautions must be taken.

I ask unanimous consent that my statement be printed in the Appendix of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WILEY SEES HUMOR AS "SECRET WEAPON"—WISCONSIN SENATOR WANTS IT USED IN WAR OF IDEAS AGAINST TYRANTS

(By ALEXANDER WILEY, United States Senator from Wisconsin)

WASHINGTON.—You may have heard the joke about the Yugoslav peasant who was formerly known as a great admirer of the deposed king and who was seen by a Communist to be praying. The Communist asked, "For whom are you praying?" The peasant answered, "For Tito." The Communist sneered, "You used to pray for the king, didn't you?" "Positively," the peasant answered, "and now look where he is."

The length and breadth of Europe, wherever men and women were once free and are now beneath the dictators' heel, jokes are whispered behind closed doors as people seek to satisfy their hunger for liberty. Proof that humor is regarded as a real menace to tyrants is the fact that "offensive" humor is strictly prohibited.

America, however, should recognize that humor can be a secret weapon and an important one in winning the war of ideas against Russia and the Communist ideology. We should be experts at humor because in American politics, there is nothing sacred about any man, public official, or private citizen.

Humor does a lot for the deliverer as well as the listener, for it helps to release tensions and anxieties. Humor, in fact, is so universal that it must exist even in dictatorships. There, however, it is carefully channeled and can never be directed against the top tyrants. For example, a Russian newspaper may joke about an inefficient local distribution system, remarking that a sure sign of summer is the appearance of ski-wax for sale in sports stores.

There was humor in Germany, too, during the era of Hitler. Always, however, it was designed as a puny gesture at what is called "constructive self-criticism" of the inevitable corruption and red tape in dictatorial administration.

I believe that humor should be utilized in the United States overseas information program, in our radio broadcasts, in our overseas magazines and newspapers, in our overseas business advertising and in every medium in the Voice of America program. Of course, humor has been used, particularly in overseas issues of some of the leading magazines. But I believe we should plan carefully in using humor as a "secret weapon."

Several safeguards are necessary.

1. There is no weapon like humor which can puncture the inflated balloons, the stuffed-shirts that always make up a dictator's hierarchy.

2. The humor of each people is in some sense unique and is based upon that people's culture, history and folk lore. Therefore humor must be tailored to each people.

3. Humor can't be too involved if it is to be successful. It must get down to brass tacks.

There has been no great forward movement in history which was not advanced by men's sardonic humor, by poking fun at existing institutions and removing them from the sacred atmosphere of infallibility. In fact, Benjamin D. Casseres once said, "Progress is nothing but victory of laughter over dogma."

Obviously, humor can backfire if it is handled improperly or to excess. It is no panacea. We can't make our overseas information program a gag parade or it really will gag in the throats of the American and foreign peoples.

Our basic weapon in the war of words must be facts—hard, cold, memorable facts. But we must never forget that humor can often

penetrate where a million high-principled words may not.

Here in this political year of 1948 we will get another fine illustration of the constructive and perhaps the destructive value of humor in politics. Perhaps we will take the constructive lesson to heart and begin to use humor as I believe it should be used as a weapon in the war of ideas.

Why Does Not the Department of Agriculture Follow the Provisions of the Steagall Amendment?

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 11, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, we are supposed to have a support program for potatoes, but the following information which I have just received from my district, and which I have directed to the Secretary of Agriculture, is further evidence of the fact that it has not been efficiently or effectively operated:

STEVENS POINT, WIS., June 8, 1948.

REID MURRAY,
Washington, D. C.:

Farmers in Portage County have 80 cars of potatoes which are spoiling fast. Government loans on them. What happened to diversion program for feed in Wisconsin? Would like investigation of price-support program. State and county officials can do nothing, could not get support price of \$2.23 at any time. All have loans of \$1.15. Today State officials said loans must be paid back. Leaving producer with nothing for 1947 crop. Please answer collect at once.

MAX HAVILAND AND ELI SCRIBNER.

BANCROFT SUPPLY Co.,

Bancroft, Wis., June 10, 1948.

HON. REID F. MURRAY,
Member of Congress,
Washington, D. C.

DEAR MR. MURRAY: Farmers around here have several thousand bushels of potatoes stored in our warehouse on which they secured Government loans, and should be disposed of at once as they are spoiling.

If action is not taken soon in removing them from our warehouse great damage will result to our building.

We have taken this matter up with our renters, and they inform us that they cannot do anything about it until the Government releases them.

Can you do anything to help this situation? Anything that you may be able to do will be greatly appreciated.

Very truly yours,

BANCROFT, SUPPLY Co.,
By E. O. ERICKSON,
Manager.

JUNE 11, 1948.

MR. CHARLES F. BRANNON,
Secretary of Agriculture,
Washington, D. C.

MY DEAR SECRETARY: Yesterday I received the following telegram from Stevens Point, Wis., concerning the potato situation there: "Farmers in Portage County have 80 cars of potatoes which are spoiling fast. Government loans on them. What happened to diversion program for feed in Wisconsin? Would like investigation of price-support

program. State and county officials can do nothing; could not get support price of \$2.23 at any time. All have loans of \$1.15. Today State officials said loans must be paid back. Leaving producer with nothing for 1947 crop. Please answer collect at once."

I have been advised that your potato branch is working on this problem and I sincerely trust that they will work it out in such a manner that it will be fair to all of the potato growers in Wisconsin.

The way the potato program has been administered these past years has disturbed me very much. I have felt that it was not properly administered and that it has jeopardized the whole support program. In the first place I never could understand why the Department continues to support potato prices on an acreage basis when they have had so many examples of the futility of using this yardstick in controlling production. In my opinion the support should have been on a bushel basis and much of the difficulty could have been averted. Under the program up to this time it appears that southern crops are taken over by the USDA without question of the losses sustained. Potato growers in the southern portions of the northern regions where potatoes are planted earlier, have been able to get them fairly well marketed before the loan set-up went into operation. However, other northern potato growers have been subjected to the loan program, which is not working out satisfactorily.

If the potato producers of the South and certain early potato growers of the North are provided means of obtaining cash for their crops as produced, why is not the same privilege accorded other potato growers?

According to the report of the Bureau of Agricultural Economics, the 1947 potato crop was only 384,000,000 bushels and in former years when the crop was 400,000,000 bushels, the program was handled without any large losses. I realize the Department has contended that it did not have the authority to control production, but they had only to ask for such authority as I do not believe that anyone would want to be in the position of subsidizing excessive surpluses.

When situations exist, as they apparently do in Wisconsin and particularly in Portage County at this time, I think you appreciate that the whole support program is jeopardized, and it makes it difficult for the county agricultural agents and the AAA committeemen to carry on their work and endeavor to explain a support program that turns out not to be a support program.

During the past several years the present Administration has been able to provide \$816,000 for one cotton farmer of Mississippi and another \$249,000 for Mr. Tom Campbell's wheat-farming operations. This money was paid for either raising the crops or not raising them or was given to the producers because the crop did not bring enough in the market place.

The point which I wish to make is that the approach to the potato program does not appear to be a very desirable one when potato growers do not receive just consideration for the crops which they have actually produced.

As previously stated, I trust that this entire problem will receive serious consideration and some action be taken at once to alleviate it.

Sincerely yours,

REID F. MURRAY,
Member of Congress.

Sometimes I am of the opinion that the potato program has been planned that way. There seems to be money available for southern crops and some early potato crops of the North, but when it comes to the product of the average potato farmer of the North, we find that he is not extended just consideration.

The senseless burning of potatoes by the Government and the support program of this product has jeopardized the entire support program. There is little use of talking about a long-range agricultural program when the already existing law providing for support prices—namely, the Steagall amendment—is not followed.

Could the objective of the Secretary of Agriculture be a desire for more power so that he may have the whip hand over the farmers of America? Does it not appear that he wants the power to tell the poultryman he is to receive 24 to 36 cents per dozen for his eggs, or whether the pork producer is to have 12 to 18 cents per pound for his hogs, or the dairymen to have \$2 or \$3 per hundred-weight for his milk, or 20 to 30 cents per pound for his cheese, and 50 or 75 cents per pound for his butter?

The ultimate result of the Secretary's proposal would be to make the Secretary of Agriculture the economic dictator of this country.

The farmers of America are entitled to equal legislative support for their particular crop, regardless of North or South and regardless of the Mason and Dixon's line.

A Favorite Phrase of Mr. Truman's

EXTENSION OF REMARKS

OF

HON. ELLSWORTH B. BUCK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 11, 1948

Mr. BUCK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Arthur Krock, from today's New York Times:

A FAVORITE PHRASE OF MR. TRUMAN'S
(By Arthur Krock)

WASHINGTON, June 10.—The President has now uttered publicly a view he has often privately expressed—that the Congress he was dealing with is the "worst." At Spokane, in a colloquy with a reported, he expanded this theme by saying that the Eightieth, or current, Congress, holds the low record in the history of the Republic, modifying this later to give that description to the Congress that impeached Andrew Johnson and then deciding to stand on his original rating of the Eightieth.

There are obvious reasons why the President, who is a candidate for nomination on the Democratic ticket, did not refer to an estimate he used to make of the Congress that was in session when he succeeded. Of that Congress, the Seventy-ninth, he was wont to say in the spring of 1946 that it was the "worst since Andrew Johnson's" meaning the National Legislature elected in 1866 and not the one chosen in 1864 when Lincoln won a second term on the same ballot and Johnson became Vice President.

Mr. Truman's experiences with the Eightieth Congress may have upped his rating of the Seventy-ninth. But another explanation may be that this Congress was organized by the Republicans, while the President's own party, from which he is seeking nomination, organized the Seventy-ninth, of which once he expressed the same unflat-

tering opinion after his unsuccessful struggles with it over the Office of Price Administration and other controversial issues.

In any event, the President has put the current Congress in a historical category which he finds discreditable and to which he would consider admitting only Andrew Johnson's second legislative body. Those who are familiar with the record of that, the Fortieth, Congress will not wonder that Mr. Truman's remarks, as originally made or as modified, has angered Members of the current body on both sides of the party aisle; and, as a political tactic, has distressed and alarmed leading Democrats. For nothing in the record or conduct of the Eightieth Congress, as of the Seventy-ninth, justifies the scathing comparison.

IN 1867-68

There has been criticism in Congress of Mr. Truman, but none that approaches the vituperation and coarseness of the attacks on Johnson in the Fortieth that were climaxed by the unique attempt at presidential impeachment. On the great issues of that day, the Reconstruction bill and the Tenure of Office bill, Congress, though its fierce leader, Thaddeus Stevens, was dying, balked the President at every turn; while the Eightieth has accepted and in large measure sustained the foreign policy on which Mr. Truman expects, if nominated, to base his chief claim for election. It passed the Taft-Hartley Act, which he vetoed and still denounces, but this law gave him the effective legal weapons with which he prevented a railroad strike and broke the strike called by John L. Lewis. And if the Executive power to make trade agreements with other countries is preserved in any of its essentials, the President will owe that to Senators VANDENBERG, TAFT, and MILLIKIN, all Republicans.

To Senator VANDENBERG in particular Mr. Truman is beholden for the championship of the so-called Truman Doctrine and the European recovery plan, without which both might have been emasculated or even rejected. And in the hour that the President was flaying this Congress as the worst or second worst, Mr. VANDENBERG, aided by Mr. Stassen and Governors Dewey and Warren, all Republicans, was staking a much more promising political future than Mr. Truman's on an intra-party battle to finance the ERP with the sum which the Democratic Administration has set down as absolutely essential to its success.

SOURCE OF THE NAME-CALLING

The President began the name-calling, which he expanded in Spokane yesterday. He began it with personal attacks on Senator TAFT over price control. But no one in the Eightieth Congress has come near referring to him; as Parson Brownlow did to Johnson in the Fortieth, as "that dead dog in the White House," and Representative CLEVENGER's efforts in that direction today were instantly rebuked by a fellow-Republican, who admonished his party not to sink to Mr. Truman's level.

This is hot stuff in the political pot, but the fire that burns beneath it was lit by the President himself. And, like the record of the Eightieth Congress as contrasted with the Fortieth, it is not faintly comparable to the Executive-legislative exchanges of 1867 and 1868.

Dip almost anywhere in the first 200 pages of Bowers' *The Tragic Era* (Houghton Mifflin, Cambridge, Mass., 1929), and this difference between the White House-Capitol relations of that time and the present is plain. On January 7, 1867, Loan, of Missouri, introduced impeachment resolutions "charging Johnson with every imaginable crime"; and a week later Loan, in a House speech which was ruled "unexceptionable" by the Chair, whose ruling the House Republicans sustained, insinu-

ated that Johnson had instigated the assassination of Lincoln and was "influenced by the grosser animal instincts."

Very naturally, a Congress put by the President in the same category with the Fortieth burns with indignation and the spirit of reprisal. Even if Mr. Truman has not depressed his own low political stock by his words, he has to this extent injured the national interest.

Labor Monopolies and Socialism

EXTENSION OF REMARKS

OF

HON. MAX SCHWABE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 11, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following statement by Dr. Willford I. King, chairman of the Committee for Constitutional Government:

Not long ago our railway employees threatened to strike. By so doing they could paralyze many of our great industries. Therefore the Government stepped in and seized the railroads. Now the union leaders ask that the Government take over the ownership of the railroads and continue to operate them.

The probabilities are that a little later the coal miners will threaten another strike. Suppose that, at the behest of Government, the miners cool off for 80 days and then reiterate their intentions to strike. Will not the Government proceed to seize the coal mines? It certainly cannot allow the Nation's industries to be closed down by lack of coal. If the mine owners refuse to yield to the demands of the United Mine Workers, will not the latter then insist that the Government purchase and operate the coal mines?

If past experience is any criterion, some time within the next 2 or 3 years there will be a widespread collapse in the demands for most kinds of durable goods. When this happens, unless wage rates are reduced, large-scale unemployment will be inevitable. But can we imagine the union leaders gracefully agreeing to wage cuts? Will not threatened strikes in all of our great essential industries lead to their seizure by Government? Will not the steelworkers, the petroleum workers, the telephone workers, the electrical workers all demand permanent Government ownership and operation in their respective fields?

Those who are familiar with the course of events in Europe during the last 40 years know that the unions have repeatedly forced governmental intervention in the industries of that continent and that their persistent endeavors to secure government ownership and operation of the principal European industries have now been crowned with success.

Most American union leaders loudly proclaim their devotion to the principle of free enterprise. How, then, does it happen that they, like their European counterparts, now ask for government ownership of our railroads? The answer is simple. Only government can pay in wages amounts not justified by what the industry in question can collect from its customers. Government can saddle the unwarranted wage load upon the taxpayers and propertied classes. Private owners do not have this recourse.

This point is well illustrated by what has happened in France. When the government

there took over the leading French industries, it anticipated that the profits of these industries would pay a large part of governmental expense. However, the workers in these fields demanded sharp wage advances. The unions control so many votes that the French Government has been afraid to defy them. Wages have gone up and up. As a result, the anticipated profits have been replaced by huge operating deficits. The French Government, fearful of popular opposition, has not dared to raise taxes sufficiently to balance the budget. Hence it has resorted to inflation. Next, it has attempted, by using rationing and price controls, to counter the inevitable increase in the price level. Thus, industrial recovery has been greatly hampered, and the United States Government is asked to make up the deficit.

France's experience has been largely duplicated in England, Germany, Belgium, Holland, and Italy. All of these nations have adopted government ownership—in other words, state socialism. All are bogged down in the "Slough of Despond." And now our labor leaders are urging us to follow these nations down into the morass. Fortunately, Americans do not seem to be stupid enough to yield to such advice.

But such refusal does not indicate that we are willing to go after the root of the difficulty. Clearly, governmental seizure of industry is not a scientific method of dealing with wage disputes. Just what is to be done if workers and employers both remain adamant? No one has offered a good answer.

What the Nation really needs is to eliminate the source of the trouble. That source is obviously our acquiescence in the development of privileged labor monopolies so huge that they have it in their power to shut down whole industries. As long as we allow these ruthless organizations to exist, a sword of Damocles will hang over our heads. That year after year, freedom-loving, red-blooded Americans should tolerate this situation is almost incomprehensible. But facts are stranger than fiction.

The Mundt-Nixon Bill

EXTENSION OF REMARKS OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Friday, June 11 (legislative day of
Tuesday, June 1), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter on the Mundt-Nixon bill, written by Raymond L. Wise, and published in the New York Times on June 6, 1948.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE MUNDT-NIXON BILL—UNCONSTITUTIONALITY OF PENDING LEGISLATION IS CHARGED

(The writer of the following letter has been special assistant to the United States attorney and assistant attorney general of the State of New York.)

To the EDITOR OF THE NEW YORK TIMES:

In view of the many statements made about the Mundt-Nixon bill by those who have never actually read it, I thought you might like a letter from one who has studied it carefully because of a deep interest in civil liberties.

The bill starts with a finding of fact describing the nature, extent, and methods of

the world Communist movement. This finding is followed by definitions. A "Communist political organization" is defined as one which is controlled by the foreign Communist dictatorship. A "Communist front" is one which is controlled by a Communist political organization or aids one or holds its views.

The bill develops its two main aspects:

First it creates the specific crime of attempting to establish by any means a totalitarian dictatorship in the United States under the control of any foreign government. The penalty is a fine of not more than \$10,000 or not more than 10 years, or both. There is no statute of limitations. Loss of citizenship is an additional penalty.

RESTRICTIVE PROVISIONS

Second, the bill establishes a pattern of special treatment for Communist organizations or what the Attorney General finds "on substantial evidence" to be such. They must file registration and annual statements and keep records as to officers, lists of members, nonmembers who are active, funds, and contributors. This information must be kept on public file by the Attorney General. They cannot use the mails or radio or other means of communication without disclosing their name and nature. They and their contributors are not to enjoy tax exemption or deduction.

A number of new criminal offenses are created in respect to conduct of their members. Their members cannot seek or hold elective Federal office without disclosure of the fact they are members, and cannot be employed at all in any Federal nonselective job. They are denied the use of passports. They cannot become or remain members of an unregistered organization knowing it to be such. The Attorney General must make a full investigation of any organization he has reason to believe ought to register. He must also investigate any organization when requested to do so by either branch of Congress.

All organizations are entitled to hearings after timely notice. The hearings may be reviewed by the Circuit Court of Appeals for the District of Columbia, but the findings of the Attorney General as to the facts, if supported by substantial evidence, shall be conclusive. Further appeal may be taken to the Supreme Court.

Penalties vary from fines up to \$10,000 and imprisonment up to 10 years, or both. There is the usual saving clause which saves the rest of the act if any part is held invalid.

The bill is clearly unconstitutional.

PROCESS CLAUSE VIOLATED

Section 4 prohibits any attempt to establish a Communist state here. There are laws which now prohibit such an end by unlawful means. But section 4 goes further and proscribes any means, even a proposal to amend our Constitution. It thereby clearly violates the due process clause of the fifth amendment in that it prohibits an act which the Constitution protects.

Section 6, prohibiting the holding of elective office, section 7, regarding passports, and section 10, regarding membership in a non-registered organization, all violate the sixth amendment, giving to each defendant the right to be informed of the nature and cause of the accusation against him. Each of these sections is based on the definitions of Communist organizations in section 3. These definitions are so vague, complex, and susceptible of varying interpretations as to make them lacking in that certainty with which the sixth amendment requires that a criminal offense be described. A man of common understanding must know what is prohibited. This is not possible under section 3.

Section 8, dealing with registration, and section 9, providing for the keeping of a public register, violate the first amendment,

which provides that Congress shall make no law * * * abridging the freedom of speech or * * * the right of the people peaceably to assemble * * *. The requirement of registration and the making public of the registration statements would impose an undue and unnecessary restriction on free speech and on the holding of meetings. Such a restriction on speech or assembly is permitted only when the words used are used in such circumstances and are of such a nature as to create a clear and present danger that they will bring about the substantive evils that Congress has a right to prevent (that is, when a crime will be committed as an immediate result of the utterance of the words).

DANGER TO SECURITY

The quotation is from the case of *Schenck v. The United States* (249 U. S. 47), and the words were written by Mr. Justice Holmes. The bill, in section 2, speaks of a clear and present danger to the security of the United States.

This may be true in the broad international sense, but there is no clear and present danger that our Government will be overthrown if Communists are not compelled to register and there is no finding to that effect in the bill. That must be the test, not the fact that the interests of two nations are in conflict. Section 10, regarding membership in a nonregistered organization, violates the first amendment for the same reason.

Section 10 and section 11 as to the use of the mails, etc., and section 12 as to tax exemptions all violate the fifth amendment. They constitute discriminatory legislation which is directed against a class and is held to violate the prohibition against deprivation of liberty "without due process of law" unless the public welfare requires the legislation. In such cases there must be a "real and substantial relation" between the public welfare and the object sought. Here again, unless there is clear proof that our Government will not be overthrown by force and violence unless Communists are compelled to register, there would be no "real and substantial" relation between public welfare and registration.

PRINCIPLE OF SEPARATION

Section 13, giving the Attorney General the right to determine who must register, and section 14, making his findings binding on the circuit court of appeals if they are "supported by substantial evidence" are violative of the principle of separation of powers set forth in the Constitution in article I, section 1, vesting legislative powers in Congress; article II, section 1, vesting the executive power in the President; and article III, section 1, vesting the judicial power in the courts.

In sections 13 and 14 of the bill Congress delegates a legislative power to an Executive and makes such power binding on the judiciary. Delegation by Congress to the Executive is lawful only when clear and unequivocal standards are set up by Congress to guide the Executive in making a determination. Here again, the definitions set up in section 3 of the bill are so vague, complex, and indefinite as to render the delegation of power unlawful. This defect is aggravated by the fact that the court of appeals cannot upset the findings if they are based on substantial evidence.

It is contrary to our fundamental theories of government to penalize or put pressure on expression of opinion or on free association in advance of personal criminal guilt, established after trial by due process of law. No political groups are singled out for special criminal laws. We do not recognize "guilt by association."

Edmund Burke said in his speech on the Conciliation of America, "I do not know the

2. Planning boards sets up a State know-how committee composed of technical experts in various fields:

a. Know-how committee gives technical advice to planning board, to community know-how committees, to county or regional committees, to individuals, to new businesses and projects.

3. Planning board outlines program of activity, receiving assistance in organizing and formulating programs from State know-how committee (or State planning commission):

a. Takes inventory to determine present and future economic needs of State and geographic area, preparing State, regional, and county maps and statistical studies.

(1) Uses facilities of Federal, State, and regional departments and agencies for fact-finding and making projective studies.

4. Planning board relates county, community, and intrastate regional plans to one another, thereby eliminating overlapping, confusion, and unprofitable enterprises and projects.

5. Planning board cooperates with other States on regional projects in same geographic area, such as power developments, land conservation, etc.

(Specific opportunities for development and expansion outlined in detail in section on community planning.)

In closing my remarks, I cite the experience most governors of States, Members of Congress, and other public servants have had with people. We can lead our people just so fast and just so far. Beyond that a gap usually occurs. However, it has been my experience with the people of Delaware that they are exceedingly alert to and abreast of the opportunities of our time. A clear demonstration of this is the active cooperation of small-business men, veterans, farmers, and community fathers in initiating our "Delaware plan." Through the implementation of this plan and that of similar plans in other States in the United States and in other countries, our people can help to check Communist imperialism and war.

Under these State plans, provided for by the enactment of our proposed "Veterans' Economic Development Corporation Act" or "little man's RFC," we can help inaugurate the greatest era of individual prosperity and personal security in our dynamic American history.

European Recovery Plan

EXTENSION OF REMARKS

OF

HON. WAT ARNOLD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1948

Mr. ARNOLD. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following editorial from the Wall Street Journal of June 8, concerning the publicity given to the cut made by the House, in money appropriated for European recovery:

ERP WITHOUT HYSTERICS

It should be possible for the friends of the European recovery plan, in Congress and in the press, to discuss the cut made by the House in the money appropriation without getting hysterical about it. Anyone may consider the House action unwise, but such outbursts as "crippling recovery in Europe" are nonsense. So are the quoted extracts from the Communist press of Europe to the effect that the United States cannot be trusted to keep its word.

If the House had voted to appropriate more instead of less than the administration had asked, the Communist press would have been just as violent. It would then have harped on its other favorite theme, a vicious American imperialism bent on subjugating mankind to our greedy profiteers.

Admittedly, the cut in ERP funds voted by the House is a rather drastic one. Whereas the administration had asked Congress to provide \$4,245,000,000 for ERP expenditure in 12 months, the lower Chamber marked the fund down to \$4,000,000,000 and directed that the smaller amount should cover ERP's outlay during the first 15 months. The total of appropriations for all foreign aid carried in the same House bill was \$5,980,000,000, whereas the administration had asked for a total of \$6,533,000,000.

But it cannot yet be determined whether even the smaller ERP appropriation voted by the House can be expended in 12 months or in 15 months without throwing it around. Before either time period has passed Congress will again be sitting. If ERP shows any indications of being crippled solely by lack of American funds 7 or 8 months hence, Congress can loosen the purse strings as much as then seems necessary and wise.

We think it is quite possible and even probable that a smaller appropriation at this time than the administration calls for will actually contribute to the success of ERP. Rapid, large-scale purchases of commodities and industrial equipment for Europe in this country will inevitably work to raise our price level. That means that the faster the Administrator of ERP spends his money the less goods he can get for it. In the main, the same rule will apply to his buying outside the United States.

There is another aspect of our foreign-aid spending to be considered. Last week the cables reported that France and Italy were refusing to buy coal from Poland, the obvious reason being that they hoped to get their fuel for nothing through ERP. No doubt Administrator Hoffman will seek to correct situations like that. How? Only by withholding ERP funds in similar cases. It is silly, then, to say that reducing the rate at which ERP money can be laid out risks disaster for the program.

Some little consideration, too, is due our own people. They will pay for what we give to Europe, not only through taxation but through living costs. They have a right to ask that the giving be held within their means and that it be regulated according to the degree in which the peoples of western Europe help themselves and one another.

Appropriation for Institute of Inter-American Affairs

EXTENSION OF REMARKS

OF

HON. BARTEL J. JONKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 11, 1948

Mr. JONKMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of June 10, 1948:

IS THIS THE GOOD NEIGHBOR?

The Senate Committee on Appropriations has an opportunity this week in considering the appropriation for the Institute of Inter-American Affairs to undo a House blunder that could seriously undermine our relations

with Latin America. It should restore the money cut from the Institute's requests for the fiscal year 1949 and give it authorization to enter into contracts with Latin-American countries for the following year. If it does not, about the last tangible vestige of the good neighbor policy that has done so much to unite this hemisphere over the last 16 years will have gone down the drain.

It is a fairly modest sum as appropriations go these days—\$1,348,500—but the evil effects of its deletion can be great. Editorial comment in Latin-American newspapers since the report of the House Appropriations Committee on May 7 has been bitter.

The Institute of Inter-American Affairs is a chartered Government corporation that was set up under the old Office of Inter-American Affairs to carry on with Latin-American countries cooperative programs in health, sanitation, education, and food supply. Currently 22 such programs are in existence in 14 Latin-American countries. For every dollar this Government now puts into the programs the Latin Americans put in two—\$10,800,000 against our \$5,800,000 for 1948-49. Yet for our one-third interest we get an equal voice.

The Institute's program can be shown by figures to be a worth-while one merely in the area of foreign trade, in increased imports by participating countries of American pharmaceuticals, farm machinery, textbooks, and so on. Beyond that there are hardly calculable benefits in eradication of diseases that might otherwise be carried to this country to start epidemics, and incalculable benefits in good will toward us.

Values of Various Crops in 1947

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 11, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, with so much talk about basic and Steagall commodities, I submit the following information from the Bureau of Agricultural Economics of the United States Department of Agriculture:

Value of 1947 crops sold by farmers

Basic commodities:

Wheat	\$3,155,000,000
Corn	5,432,000,000
Cotton ¹ (lint and seed)	2,291,000,000
Tobacco	912,000,000
Peanuts	228,000,000
Rice	219,000,000
Fruit	896,000,000
Total meat animals	10,039,000,000
Dairy products	4,845,000,000
Poultry and eggs	3,069,000,000
Potatoes	627,000,000
Dried beans ²	188,786,000
Peas, dried	32,003,000

¹ Lint, \$1,889,000,000; seed, \$402,000,000.

² Navy beans, \$43,250,000 estimate.

Source: Bureau of Agricultural Economics, U. S. Department of Agriculture.

In the first place, there are not any legal basic commodities. Certain crops as corn, cotton, wheat, tobacco, peanuts, and rice are called basic because they are under the provisions of the Agricultural Adjustment Administration Act. By submitting to certain acreage controls they automatically come under the

protection of the loan and support provisions of the Agricultural Adjustment Administration Act. I will not attempt to try to explain why a \$2,291,000,000 cotton crop has special-privilege legislation, millions secured from customs receipts on wool and other livestock products have been used to subsidize cotton exports.

The New Deal agricultural approach has been, first, to give special-privilege legislation to the crops of the South; second, to subsidize domestic production of soil-depleting crops; third, to subsidize exports of these soil-depleting crops; and, fourth, to continually jeopardize livestock farming, the best-known system of conserving soil fertility.

I ask you in all fairness, does it make economic sense to you to support prices for a \$228,000,000 peanut crop, a \$219,000,000 rice crop, or a \$900,000,000 tobacco crop and not support a \$3,000,000,000 poultry and egg crop, a \$10,000,000,000 meat crop, and a \$4,800,000,000 milk crop? Cotton at this hour is enjoying export subsidies even when cotton is above parity at the market place.

All crops and all agricultural commodities are deserving of equal legislative consideration. A study of the logrolling machination and power politics that have been practiced in connection with domestic and foreign agricultural products would convince anyone that the logrolling on the tariff question never equaled the logrolling incident to the New Deal agricultural program.

A Challenge to Educators

EXTENSION OF REMARKS OF

HON. HARVE TIBBOTT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 11, 1948

Mr. TIBBOTT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following excerpts from remarks delivered by the Honorable M. Vashti Burr, deputy attorney general of the Commonwealth of Pennsylvania, to the alumni of the State Teachers College at Indiana, Pa., May 22, 1948:

There are complaints that the young people of today are losing confidence in their elders who, they are inclined to say, can no longer help to point the way to success. If that be true, is it because we did not build strongly enough, or is it because we forgot the paths by which we ourselves came? Have we, for example, taken our freedom too much for granted and valued too lightly those fundamental precepts of intellectual development and moral courage which our forebears valued so highly? Have we been inclined to forget the true function of the teacher in our concentration upon turning out a standardized, streamlined, assembly-line intellectual product without adequate consideration for character building?

We prize of our free system of government in America. No system of government based upon the freedom, dignity, and integrity of the individual can endure unless the citizens are adequately educated. An enlightened public opinion is required in any free government. Of all the groups in the Nation

having an influence upon, and the opportunity to mold, public opinion, the teachers, especially those in the elementary and secondary schools, have probably the greatest responsibility. They have the task of educating youth in the formative, most impressionable years. Hence the immense importance of adequate education of the teachers themselves, so that the teachers may fully appreciate the principles of our American system and the social and economic basis of American life. Our American heritage is the realization that life is an adventure which obliges us to place spiritual integrity above material security if we are to solve problems which confront us in perpetuating liberty for all.

The charters of the privately owned Colonial colleges stressed the need of educating youth for public service in church and civil state. The Revolution stimulated patriotic fervor, leading to the study of our national history and civics, the foundation of political education. As stated by Stephen Pierce Duggan, formerly professor of education at the College of the City of New York:

"In no country is education so active and vital an element in the life of the people as in the United States. Nowhere else do teachers show so strong a desire for self-improvement, parents so great a determination that their children shall take advantage of the opportunities offered, or citizens so great a willingness to bear the necessary expense * * *. In other words, real progress is being made toward the realization of the American educational ideal, viz, so to organize education that the capacities of every child shall be discovered and the necessary training given to develop those capacities to the utmost, to the end that every individual shall be doing that in life for which his native abilities fit him."

The same Professor Duggan states, very significantly:

"The theory upon which education is organized in the United States is the very opposite of that which holds in Europe."

We may feel justly proud of our American system of education, even with all its faults. Let us be on guard against the importation into our American system of those foreign ideas which, for example, would make the educational system a pawn in the hands of a centralized National Government. As the president of the University of Notre Dame recently remarked:

"There is no denying that our schools need greater support, but we cannot strengthen them by sloughing off local and State responsibility and lodging control in the hands of a remote commissar of education. Rather, we must reassume our individual responsibilities, for education like good government begins at home."

The incontrovertible fact is, as stated by Gov. James H. Duff:

"The people back home know better than anybody else what their problems are and how able and willing they are to pay to solve them."

It is good common sense to conclude that if the people are willing to pay for better schools and adequately paid teachers, they would rather tax themselves in their own communities where they will have the use of approximately 94 cents out of each tax dollar, than pay taxes to the Federal Government for the same purpose, knowing full well that every dollar the Federal Government gets from the people by direct or indirect tax and hands back to them in grants, has lost as much as 40 or 50 percent of its value in transit. (See Inaugural Address of Gov. William M. Tuck, of Virginia, January 16, 1946 (Vital Speeches, March 15, 1946).)

The 1947 general assembly enlarged the tax base for local government (including school districts). It is now for the citizens to understand that they can guarantee "home rule" by raising the needed funds at home,

Likewise, Pennsylvania's Representatives in the Congress are supporting proposals relating to coordination of Federal and State taxation. Hon. RICHARD M. SIMPSON, chairman of the Pennsylvania delegation, is sponsor of one of these proposals. United States Senator EDWARD MARTIN was a member of the joint conference of congressional and governors' representatives which issued a statement to the effect that our States must cease relying upon the Federal Government to do things for them and their citizens which they can do for themselves as well as, or better than, the Federal Government, and that the Congress should withdraw to some extent from the field of taxation so that the States may have more tax sources in order to finance State programs, such as education.

In the Federal-State system of government like the United States, there must of necessity be Federal-State tax coordination. There is a clear duty, therefore, upon every citizen who desires the American system of government to endure, to support the united effort of the Congress and the State legislatures in effecting such a program.

Again I quote the president of the university of Notre Dame, who has so well said:

"The best investment that America can make today is in the youth that will be the leaders of tomorrow. And no agency can produce the leadership our country needs except the colleges and universities that will take their stand on the educational legacy that is ours from colonial times."

There is the challenge to our educators today. There is the challenge to the State teachers colleges in Pennsylvania—how best to preserve and extend the educational ideals of those who designed and established this great Nation, so that the need of youth in this country not only for knowledge, but also for a keen understanding of the basic concepts of our American system and of the art of living well and wisely, may best be served.

Displaced Persons

SPEECH

OF

HON. CHARLES R. CLASON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1948

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H. R. 6396) to authorize for a limited period of time the admission of displaced persons into the United States for permanent residence, and for other purposes.

(Mr. CLASON asked and was given permission to revise and extend his remarks.)

Mr. CLASON. Mr. Chairman, the purpose of my amendment is to give to less than 20,000 Polish soldiers and soldiers of other nationalities who are no longer able to return to their own homelands and who would like to come to the United States that opportunity. In many cases they have relatives in the United States; in fact, I have in my own district relatives of several of these soldiers now in England. Some of them are not working, regardless of the statement of the last speaker, and are receiving funds from their relatives here. These men are for the most part young, active men; they are men who fought in Poland against the Russians after fighting against the Germans. Some of them

19. DISASTER RELIEF. H. R. 6891, by Rep. Goff, Idaho, to authorize FWA to coordinate emergency activities of Federal agencies in disaster areas and to provide emergency aid, including aid for repair, restoration, etc., of public facilities in such areas; to Public Works Committee (p. 8100).
20. RODENT CONTROL; FOOD CONSERVATION. H. J. Res. 424, by Rep. Burke, Ohio, to promote planning, development, maintenance, and coordination of rodent control; to Merchant Marine and Fisheries Committee (p. 8100).
21. FORESTRY. H. R. 6893, by Rep. Riley, S. C., to amend Sec. 4 of the Clarke-McNary Act of 1924; to Agriculture Committee (p. 8100).

ITEMS IN APPENDIX - June 11

22. FARM PROGRAM. Extension of remarks of Rep. Murray, Wis., criticizing various phases of the present farm program and including a BAE statement on the values of several farm crops in 1947 (pp. A3927-8).
23. SOIL CONSERVATION. Rep. Trimble, Ark., inserted statements by farmers recommending enactment of soil-conservation legislation (pp. A3939-30).
24. TARIFF. Extension of remarks of Rep. Murray, Wis., "Does a duty of 1 cent per pound on hogs, 3 cents per pound on lard, and 25 cents per bushel on corn make economic sense to you?" (p. A3932).
25. FORESTS. Rep. Trimble, Ark., inserted an article by C. F. Byrns favoring additional funds for timber-sales work of the Forest Service (p. A3934).
26. ELECTRIFICATION; FLOOD CONTROL. Rep. Blatnik, Minn., inserted President Truman's June 10 speech on these subjects (pp. A3934-6).
27. ACP PAYMENTS. Rep. Trimble, Ark., inserted a farmer's statement favoring additional appropriations for this program (p. A3937).
28. PRICE SUPPORTS. Extension of remarks of Rep. Murray, Wis., "Why does not the Department of Agriculture follow the provisions of the Steagall amendment?" (pp. A3938-9).
29. TRADE AGREEMENTS. Sen. Myers, Pa., inserted a Pittsburgh Post-Gazette editorial, "Reciprocal Trade Sabotage" (p. A3942).
30. HOUSING. Extension of remarks of Rep. Shafer, Mich., criticizing S. 866, the T-E-W housing bill (pp. A3943-4).
31. WATER POLLUTION. Extension of remarks of Rep. Lane, Mass., favoring water-pollution control (pp. A3959-60).

HOUSE - June 12

32. PRICE SUPPORTS. Passed with amendments H. R. 6248, to provide for price support, until June 30, 1950 (pp. 8164-95). In addition to the committee amendments, agreed to an amendment by Rep. Hope providing that hogs, chickens, and eggs, as well as milk and its products, shall be supported at 90% of parity; and that potatoes harvested in 1948 shall be supported at 90% of parity, notwithstanding that they may not be marketed until after Jan. 1, 1949 (pp. 8165-75).

Rejected the following amendments: By Rep. Dirksen, to strike out the provisions for peanut supports, by a 43-140 vote (pp. 8176-87). By Rep. Hand, N. J., to provide supports for vegetables and fruits (pp. 8188-90). By Rep. Gearhart, Calif., to provide supports for citrus and dried fruits and raisins, by a 53-66 vote (pp. 8191-3).

An amendment by Rep. Sasser, Md., to change the parity period for Md. tobacco, was ruled out of order (p. 8193).

Rejected, 33-163, a motion by Rep. Dirksen to recommit the bill (p. 8195).

33. ARMY CIVIL FUNCTIONS APPROPRIATION BILL. Agreed to the conference report on this bill, H. R. 5524 (pp. 8196-204).

34. D. C. APPROPRIATION BILL. Agreed to the conference report on this bill, H. R. 6430 (pp. 8204-5).

35. DISPLACED PERSONS. House conferees were appointed on S. 2242, the displaced-persons bill (p. 8207). Senate conferees were appointed (pp. 2126-8).

36. TRADE AGREEMENTS. Received from the Tariff Commission parts IV and V of its report on the trade-agreements program (p. 8210).

37. CIVIL-SERVICE RETIREMENT. The Post Office and Civil Service Committee reported with amendment H. R. 5715, to extend the benefits of section 1 (c) of the Civil Service Retirement Act to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having served 25 years but before reaching age 55 (H. Rept. 2328) (p. 8210).

38. FEDERAL PAY RAISE. Rep. Kilday, Tex., spoke in favor of this (p. 8163).

39. SCHOOL LUNCH PROGRAM. The Education and Labor Committee ordered reported, but did not actually report, H. R. 1760, which would put Alaska and Hawaii on the same basis as the States in apportionment of school-lunch funds (p. D643).

40. ANIMAL IMPORTS. The Interstate and Foreign Commerce Committee ordered reported, but did not actually report, S. 1447, requiring humane treatment of imported wild animals and birds (p. D643).

41. ADJOURNED until Mon., June 14 (p. 8210).

SENATE - June 12

42. FARM LABOR. Passed as reported S. 2767, to provide for a revolving fund of \$2,500,000 for assistance by the Labor Department in the recruitment from the Western Hemisphere and Puerto Rico of workers for temporary agricultural employment in the U.S. (p. 8114).

43. FLOOD CONTROL. Passed with amendments H.R. 6419, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation and flood control (pp. 8115-9). The bill was ordered printed with the

Senate amendments numbered (p. 8119).

44. INTERIOR DEPARTMENT APPROPRIATION BILL, 1949. The Appropriations Committee reported with amendments this bill, H.R. 6705 (S.Rept. 1609) (p. 8101).
45. GOVERNMENT CORPORATIONS APPROPRIATION BILL, 1949. The Appropriations Committee reported with amendments this bill, H.R. 6481 (S.Rept. 1616) (p. 8102).
46. TRANSPORTATION. Received the President's veto message on S. 110, to amend the Interstate Commerce Act so as to authorize certain rate agreements between carriers (p. 8128).
47. FOOT-AND-MOUTH DISEASE. Agreed, with amendments, to S.Res. 223, to authorize the Agriculture and Forestry Committee to make a full and complete investigation of all problems related to foot-and-mouth disease and its incidence in neighboring countries, and authorizes the expenditure of \$6,000 for such investigation (p. 8131).
48. SUPPLEMENTAL TREASURY-POST OFFICE APPROPRIATION BILL, 1949. Passed as reported this bill, H.R. 6758 (pp. 8128-9); which had been previously reported (S.Rept. 1608) (p. 8128). Senate conferees were appointed (p. 8129).
49. ECONOMIC REPORT. Passed with amendment S.J.Res. 226, authorizing the Joint Economic Report Committee to issue a monthly publication entitled, "Economic Indicators," for limited distribution (pp. 8131, 8152).
50. TIN. Passed without amendment S. 2830 to extend for 5 years the authority to provide for the maintenance of a domestic tin-smelting industry (pp. 8106, 8126).
51. FOREIGN TRADE. Agreed to vote on H.R. 6556, to extend the Trade Agreements Act, at 5:00 p.m., Mon., June 14 (pp. 8124-5).
52. INDIAN RELIEF. The Interior and Insular Affairs Committee reported with amendments S. 2686, to establish a Navajo-Hopi Indian Administration, to provide for the rehabilitation of the Navajo and Hopi Indian Tribes (S.Rept. 1610) (p. 8101).
53. MINERALS. Passed without amendment H.R. 2867, to permit, subject to certain conditions, mining locations under U.S. mining laws within that portion of the Harney National Forest designated as a game sanctuary (p. 8125). This bill will now be sent to the President.
54. PURCHASING. Passed without amendment H.R. 4659, to ratify and confirm amendments to certain contracts for the furnishing of petroleum products to the U.S. (p. 8111).
55. BUILDINGS. Passed as reported S. 1955, to provide for the acquisition of sites and the preparation of plans for Federal public buildings outside D.C. by the Federal Works Administrator (pp. 8122-3).
56. HEALTH. Agreed to S.Res. 249, to provide for \$10,000 for the Labor and Public Welfare Committee to continue its study of the health problems of the Nation (p. 8131).
57. LANDS. Agreed to S.Res. 244, increasing by \$25,000 the funds for investigations by the Interior and Insular Affairs Committee into matters under its jurisdiction (p. 8130).

58. STRATEGIC MATERIALS. Sen. Malone, Nev., spoke in favor of incentive payments for the mining of certain minerals to be stockpiled (pp. 8154-7).
59. RECESSED until Mon., June 14 (p. 8160).

ITEMS IN APPENDIX

60. PRICE SUPPORTS. Extension of remarks of Reps. D'Ewart (Mont.) and Jenson (Iowa) favoring the extension of the agricultural price-support program (pp. A3995, A4001).
Speech in the House by Rep. Sabath, Ill., opposing continuation of agricultural price supports and discussing with other members the need for such supports (pp. A4005-8).
61. FOREIGN TRADE. Sen. Barkley, Ky., inserted an editorial, "It Is Up to the Senate to Enact a Sound Trade Bill" (pp. A3984-5).
62. HEALTH. Sen. Murray, Mont., inserted Gov. Warren's (Calif.) article, "My Plan for Health Insurance" (pp. A3997-9).
63. FOREIGN AID. Extension of remarks of Rep. Hoffman, Mich., urging consideration of needs in the U.S. in connection with ERP (p. A4010).
64. HOUSING. Various insertions on the housing bills (pp. A3985, A3986, A3986-7, A3988-90).

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COMMITTEE HEARINGS ANNOUNCEMENTS for June 14: S. Public Works, disaster relief (Will to testify); S. Labor and Public Welfare, secondary market for veterans' home loans; S. Appropriations, independent offices supplemental, Navy Department (ex.), and Military Establishments (ex.) appropriations; H. Expenditures in the Executive Departments, Reclamation Bureau propaganda activities; H. Rules, draft bill.

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perience in the prosthetics field, and he deserves the wholehearted appreciation and gratitude of all of us. It is understandable that he should wish to return to private life, now that his program is safely in operation, but his going is a keen loss for the veteran and the public. It is incumbent on the Veterans' Administration to carry forward his sound program, and it is the responsibility of the Congress to see that it is done properly. I, for one, shall be watching very closely to be certain that Walter Bura's program is in no way jeopardized.

EXTENSION OF REMARKS

Mr. MULTER was granted permission to extend his remarks at this point in the RECORD.

COL. DAVID (MICKEY) MARCUS

Mr. MULTER. Mr. Speaker, it is with a heavy heart and extreme regret that I record the death of Col. David Marcus. He died as supreme commander of the defense army of the state of Israel on the eve of the truce.

He died as a true lover of freedom fighting at the head of his forces.

He was "Mickey" to those of us who knew and loved him. Appointed to West Point out of my own district, he graduated with honors and served our country with honor and distinction.

He retired from active service in World War II as a colonel. Before going overseas he had drawn up the military defense plan for New York City. He served as Chief of Planning of the Civil Affairs Division of our War Department. He was legal aid to the American delegations at Dumbarton Oaks, Yalta, Tehran, and Potsdam.

In civilian life he was a brilliant lawyer. His intrepid spirit was evidenced as much by his leadership in the Republican Party in an overwhelmingly Democratic district, as by his devotion to his community by participating in every worth-while endeavor.

As we place an imaginary wreath upon his bier, let us vow to bring to an early end the possibility of Britain ever again sending armaments to aggressors for use against the defenders of democracy.

We salute you, David Marcus, with the prayer that you shall not have died in vain.

COMMITTEE ON PUBLIC LANDS

Mr. WELCH. Mr. Speaker, I ask unanimous consent that the Committee on Public Lands be permitted to sit today during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CORRECTION OF THE RECORD

Mr. KEARNEY. Mr. Speaker, I ask unanimous consent to make the following corrections in the CONGRESSIONAL RECORD under date of June 11, 1948, and that the record be corrected accordingly.

Page 8049, line 16, the figure "1,800" should read "18,000."

Line 47, following the word "measure", insert "by their admission."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. BOGGS of Delaware asked and was given permission to extend his remarks in the RECORD.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. RICH asked and was given permission to extend his remarks in the RECORD in two instances, and to include in one an article entitled "Good Business Transaction" and in the other a telegram on public housing received from Wilford I. King, chairman, Committee for Constitutional Government.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. GOFF asked and was given permission to extend his remarks in the RECORD and include an address by Dr. Penrose on America in the Middle East.

Mr. BLATNIK asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection?

PAY INCREASE FOR POSTAL AND OTHER FEDERAL EMPLOYEES

Mr. KILDAY. Mr. Speaker, before this session adjourns we should take action to increase the pay of postal employees and other Federal employees. Their pay has always been barely enough to provide a living. The increase in the cost of living has made their pay inadequate. They are faithful and loyal employees, totally dependent upon the Congress to do justice by them. Unlike other employees, they do not have, nor claim, the right to strike to secure a living wage. The bill providing pay increases has been reported by the Committee on Post Office and Civil Service. It is now resting, without action, in the Committee on Rules. When preparing the list of must legislation, this bill should be included by the leadership.

Justice requires that all of these employees receive a minimum of \$300 increase. The pending bill provides a lesser amount. It should be brought to the floor so that the membership may determine what pay increase should be approved.

LEAVE OF ABSENCE

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Iowa [Mr. CUNNINGHAM] may be granted leave of absence indefinitely on account of a death in his family.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection?

SPECIAL ORDER GRANTED

Mr. BARTLETT. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be

permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

REFUND OR CREDIT TO BREWERS OF TAXES PAID ON BEER LOST IN BOTTLING OPERATIONS

Mr. FORAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6808) to permit refund or credit to brewers of taxes paid on beer lost in bottling operations.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

Mr. RICH. Reserving the right to object, Mr. Speaker, what is the effect of this bill?

Mr. FORAND. This bill provides for the refund of taxes paid on beer lost in bottling operations. Under the present system, the beer coming out of the vats in the breweries is metered and the tax is paid at that point. During the bottling process bottles are broken, beer is spilled, and so forth, and the tax has been paid but the beer is not there for sale.

Mr. RICH. How much beer are we going to have to refund the tax on? Let us get this, so we will know how much this will amount to.

Mr. FORAND. Does the gentleman want to collect taxes on a product that is not available for sale?

Mr. RICH. No; but I have seen so much about liquor evaporating and things of that kind. Taxes are evaporating, too, and I want the country to get all the taxes it can to pay for these expenditures you are making. Now you want to cut out some taxes.

Mr. FORAND. Is the gentleman in favor of taxing a product that is lost and was never available for sale?

Mr. RICH. I should like to hear this matter discussed and argued here. I think we ought to have an argument on it to find out just how far we are going. It does not sound good to me. Just temporarily, Mr. Speaker, I will object to the consideration of this bill.

Mr. HOFFMAN. So will I, Mr. Speaker.

CALL OF THE HOUSE

Mr. BUCK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 101]

Andrews, N. Y.	Byrnes, Wis.	Corbett
Barden	Canfield	Cotton
Bell	Carroll	Coudert
Bender	Case, N. J.	Courtney
Boykin	Celler	Cunningham
Bramblett	Clark	Davis, Wis.
Brophy	Clippinger	Dawson, Ill.
Buckley	Coffin	Dingell
Byrne, N. Y.	Cole, N. Y.	Dolliver

Dorn	Kersten, Wis.	Reed, Ill.
Eaton	King	Richards
Elliott	Klein	Robertson
Fisher	Lane	Rooney
Gallagher	Lewis, Ohio	St. George
Gillie	Ludlow	Scoblick
Grant, Ind.	Lusk	Scott, Hardie
Gwin, N. Y.	McConnell	Scott,
Hall,	McDonough	Hugh D., Jr.
Leonard W.	McDowell	Sheppard
Halleck	McGarvey	Simpson, Pa.
Harness, Ind.	McMillan, S. C.	Smith, Maine
Harris	Macy	Smith, Ohio
Hart	Maloney	Smith, Va.
Hartley	Meade, Ky.	Smith, Wis.
Harvey	Meade, Md.	Stanley
Heffernan	Miller, Nebr.	Stevenson
Hendricks	Mitchell	Stigler
Herter	Morgan	Stockman
Hinshaw	Muhlenberg	Taber
Isacson	Mundt	Taylor
Javits	Murray, Tenn.	Thomas, N. J.
Jennings	Murray, Wis.	Tibbott
Johnson, Ind.	Nixon	Towe
Johnson, Okla.	Norton	Twyman
Johnson, Tex.	O'Konski	Vail
Jones, N. C.	O'Toole	Wadsworth
Kee	Peden	Whitaker
Keefe	Pfeifer	Wilson, Ind.
Kefauver	Ploeser	Wood
Kennedy	Powell	
Keogh	Redden	

The SPEAKER. On this roll call 313 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REFUND OR CREDIT TO BREWERS OF TAXES PAID ON BEER LOST IN BOTTLING OPERATIONS

Mr. FORAND. Mr. Speaker, the objections having been withdrawn, I renew my request and ask unanimous consent for the immediate consideration of the bill (H. R. 6808) to permit refund or credit to brewers of taxes paid on beer lost in bottling operations.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That clauses (1), (2), (3), (4), and (5) of section 3154 (a) of the Internal Revenue Code are hereby redesignated (A), (B), (C), (D), and (E), and section 3154 (a) of such code is further amended by striking out "(a) allowance:" and inserting in lieu thereof the following:

"(a) Allowance:

"(1) Unsalable products."

SEC. 2. Section 3154 (a) of such code is further amended by adding at the end thereof the following:

"(2) Loss: The Commissioner shall make refund, or in lieu thereof, if he so elects, allow credit to a brewer in the amount of tax paid by such brewer on any beer, lager beer, ale, porter, or other similar fermented malt liquor manufactured by such brewer which was lost in his bottling house through breakage or leakage or in the process of filling, capping, pasteurizing, or labeling, upon the filing of a claim therefor by the brewer and proof by him to the satisfaction of the Commissioner that such beer, lager beer, ale, porter, or other similar fermented malt liquor was fully tax-paid and that no refund or credit was made or allowed therefor under paragraph (1) to this subsection. Refund or credit under this paragraph for such loss during any calendar month shall not exceed an amount equal to 2½ per centum of the tax paid by him on all beer, lager beer, ale, porter, or other similar fermented malt liquor removed by him during

such calendar month from his brewery to his bottling house."

SEC. 3. Section 3154 (b) of such code is amended to read as follows:

"(b) Time for filing claim: No claim under the provisions of subsection (a) shall be allowed unless filed within 90 days after the close of the month within which such destruction or return to the brewery for use as brewing material, or loss, occurred."

SEC. 4. The amendment made by section 2 shall be applicable only with respect to beer, lager beer, ale, porter, or other similar fermented malt liquor which is lost after the first day of the month in which falls the date of the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WOLVERTON asked and was given permission to extend his remarks in the RECORD and include an editorial and newspaper articles.

Mr. CROW asked and was given permission to extend his remarks in the RECORD and include an item.

Mr. FLETCHER asked and was given permission to extend his remarks in the RECORD and include an article appearing in the San Diego Union.

Mr. YOUNGBLOOD asked and was given permission to extend in the RECORD an address delivered by Ronald E. Fisher. APPOINTMENT OF CONFEREES ON H. R. 5888

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. CUNNINGHAM] be excused as a conferee on the bill H. R. 5588.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The Chair will appoint the gentleman from West Virginia [Mr. ROHRBOUGH] and the Clerk will notify the Senate accordingly.

EXTENSION OF REMARKS

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, under leave to extend my remarks I include the following newspaper clipping:

TRUMAN CALLS STALIN POLITBURO PRISONER

EUGENE, OREG., June 11.—President Truman declared tonight "I like old Joe," referring to Premier Stalin of Russia, and added that some day "that great country and this great country" would get together on their mutual interests.

The President recalled the Potsdam Conference of 1945.

"I got very well acquainted with Stalin there," Mr. Truman said. "I like old Joe. He's a decent fellow but he's a prisoner of the Politburo."

"He would make certain agreements and he would keep those agreements, but they won't let him keep them," he added.

Mr. Truman told an audience of several thousand persons to listen in on the radio tomorrow night and they would hear more of this country's foreign policy and its relations with Russia.

STABILIZATION OF AGRICULTURAL PRICES

Mr. HOPE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6248, with Mr. ANDERSON of California in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the first section of the bill had been considered as read and is open to amendment.

The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 1, strike out "harvested" and insert "marketed."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 2, strike out "December 31, 1949" and insert "June 30, 1950."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 7, strike out "(except cooperators outside the commercial corn producing area, in the case of corn) at."

The committee amendment was agreed to.

Mr. HOPE. Mr. Chairman, in the committee amendment just adopted there is a clerical error in that the word "at", which is the last word in line 8 on page 2, is shown as stricken out. It should not be stricken out. I ask unanimous consent that the amendment may be corrected by deleting from it the word "at."

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The Clerk read as follows:

Committee amendment: Page 2, strike out lines 11, 12, and 13.

The committee amendment was agreed to.

Committee amendments:

Page 2, line 14, strike out "(3)" and insert "(2)."

Page 2, line 14, after the word "noncooperators", strike out "(except noncooperators outside the commercial corn-producing area, in the case of corn)."

Page 2, line 21, strike out the word "section" in insert "subsection."

Page 2, line 24, strike out "December 31, 1949" and insert "June 30, 1950."

Page 3, line 5, strike out the word "any."

The committee amendments were agreed to.

Committee amendment: Page 3, line 6, after the comma insert "except milk and its

products, which shall be supported at 90 percent of the parity or comparable price."

Mr. HOPE. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. HOPE: On page 3, line 6, strike out the following, "except milk and its products, which" and insert in lieu thereof the words "except that Irish potatoes harvested before January 1, 1949, milk and its products, hogs, chickens, and egg."

Mr. HOPE. Mr. Chairman, subsection 1 (b) deals with the so-called Steagall commodities. A general provision of that section is that the Steagall commodities shall be supported at not less than 60 percent of parity or comparable price or not more than the level at which such commodity was supported in 1948. In the bill you have before you, you will find the committee amendment makes milk and its products an exception to that provision and provides that they shall be supported at 90 percent of parity. The amendment which I offered to the committee amendment provides that hogs, chickens, and eggs, as well as milk and its products, shall be supported at 90 percent of parity, and that potatoes harvested in 1948 shall be supported at 90 percent of parity, notwithstanding the fact that they may not be marketed until after January 1, 1949.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I am glad to yield to the gentleman.

Mr. AUGUST H. ANDRESEN. The Steagall amendment does not expire until December 31, 1948, and that is operative on all Steagall commodities up to that time, is that correct?

Mr. HOPE. That is correct.

Mr. AUGUST H. ANDRESEN. That takes in potatoes produced in 1948. If this amendment that you have proposed to the committee amendment permitting the marketing of potatoes under the Steagall amendment after the first of the year is not adopted, will that not mean that virtually all of the potatoes produced in 1948 will be dumped on the market, and that they will be owned by the Government?

Mr. HOPE. Yes, that is correct. To avoid that is one of the purposes of the amendment. The intention is to prevent the disruption of orderly marketing which would occur if the price support of 90 percent of parity went off on December 31, 1948, and thereafter a price support of not less than 60 percent of parity should go on. It is inconceivable to me that the Secretary of Agriculture would permit that to happen, because he has the option of continuing the 90 percent of parity rate, but in order to afford definite assurance to the producers of potatoes, the Committee on Agriculture adopted this amendment. If it is adopted by the Committee of the Whole, it will assure the potato producers of a 90-percent support price for all potatoes produced in 1948.

Mr. AUGUST H. ANDRESEN. And it will also continue the orderly marketing of potatoes harvested in 1948, so that

there will not be a glutted market before the first of the year.

Mr. HOPE. Yes. Undoubtedly if it was expected that the price support of 90 percent of parity would go off, every producer would attempt to rush his potatoes to market during the late months of 1948. I can think of nothing that would be more distressing from the standpoint of loss and wastage of potatoes than to have something like that occur.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. HOFFMAN. In determining your parity price, what period do you use for the base year?

Mr. HOPE. The base period for most commodities is the 1909-1914 period.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. KEATING. Can the gentleman give us any idea of the additional cost to the taxpayers of raising the parity price from 60 to 90 percent?

Mr. HOPE. I think that will save money for the taxpayers, because if the 90-percent rate is not carried over during the remainder of the marketing year, there will be a rush of potatoes to the market during the months of November and December, in order to get the 90-percent support price. The Government will be swamped with potatoes which it will have to buy under the support-price program, and there will be such spoilage that it will undoubtedly cost the taxpayers a great deal of money. On the other hand, if the potatoes can be marketed in an orderly manner throughout the marketing year, as they will be if this amendment is adopted, the loss will certainly be much less, and there should be no loss from disorderly marketing.

Mr. KEATING. On that theory, is it not a fact that we would have to carry on this 90 percent of parity support program indefinitely? Would not the same argument apply later?

The CHAIRMAN. The time of the gentleman from Kansas [Mr. HOPE] has expired.

Mr. HOPE. I ask unanimous consent, Mr. Chairman, to proceed for two additional minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. HOPE. No, I do not think that is a logical conclusion at all. I think that whenever the price support may be lowered or terminated, it would be more orderly if it were terminated at the end of the marketing year rather than at the end of the calendar year. That is what we are doing in the case of potatoes. If the gentleman will observe the bill, he will see that is what we are doing with all commodities, in that we extend the price-support program until June 30, 1950. That is for the purpose of enabling the marketing of all 1949 crops to take place in an orderly way. We do not extend for the purpose of supporting the prices of crops produced in 1950, but for the purpose of enabling orderly marketing of crops produced in 1949. That is the only purpose.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. ARENDS. What, if any, consideration was given to the matter of soya beans?

Mr. HOPE. Well, the committee considered all of the commodities that are included under the Steagall amendment, but it was not felt that it was necessary to give any special treatment to soya beans since they are above parity price at the present time, and the world shortage of fats and oils indicates that they will continue above parity, during the period covered by this bill.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. BUSBEY. I would like to ask the chairman if this is not the real meaning of his amendment, that regardless of what the Secretary of Agriculture thinks, he has to give 90 percent of parity to the raisers of potatoes, regardless of the fact that in his judgment he may think that 60 percent would be fair. The potato raisers would get 90 percent, regardless?

The CHAIRMAN. The time of the gentleman from Kansas [Mr. HOPE] has again expired.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. BUSBEY]?

There was no objection.

Mr. HOPE. Yes; I would say in reply to the gentleman from Illinois that the purpose of the amendment is to make it mandatory that the price of potatoes grown in 1948 be 90 percent of parity irrespective of the time they may be marketed in order to provide for the orderly marketing of that potato crop. As I said a while ago, I have no doubt in my own mind but what the Secretary of Agriculture would do this very thing if we left it to him. However, I think the potato growers are entitled to have that assurance in the legislation.

As I said to the gentleman from New York a moment ago, in my opinion it will cost the Federal Government much less money if we adopt the amendment.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. BUSBEY. Why not include in the amendment a little discretion on the part of the Secretary of Agriculture so he can permit them 60 percent or 90 percent or any figure in between?

Mr. HOPE. Of course that would be taking away from the producers the assurance that we want to give them on this matter. The purpose is to give the producers the assurance that they do not have to rush their potatoes to market before December 31 in order to get the benefit of the 90-percent support price; and that is what they would do if we did not give them this assurance. That is the sole purpose of the amendment.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. SNYDER. Last year the Department of Agriculture spent \$33,800,000 to buy potatoes and it cost \$1.54 a bushel. They sold those potatoes at an average of 70 cents per bushel. They recovered \$21,200,000. We know that in the process they destroyed millions of bushels of potatoes. Certainly the consumer did not profit or get potatoes cheaper. Is this amendment going to relieve the taxpayers and benefit the consumers? What are we going to get out of this amendment?

Mr. HOPE. As I said awhile ago the amendment will benefit the taxpayers because the more orderly marketing that we have of this potato crop the less loss there will be to the Federal Government under this support program.

May I say that the committee recognizes the potato situation as being a serious one and one which has caused a great deal of grief and trouble. That is one of the reasons why the committee provided that in the case of Steagall commodities with the exceptions contained in the committee amendment the support price should be not less than 60 percent of parity rather than 90 percent.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am going to support the amendment and also the bill. I for one am concerned and apprehensive over the cost of living and that problem confronts every citizen of this land. I am also concerned about what next year is going to bring when some of the foods that we raise in profusion go out of this country and we are not going to be able to supply them to the rank and file of Americans. I listened with a great deal of interest to some of the proposals that have been made here in the past few days. It is easy enough to get the ear of the House when you are proposing the expenditure of billions of dollars to countries across the sea.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. RANKIN. The gentleman has made an understatement that ought to be corrected. What the gentleman means is that it is easy enough to get the ear of Congress when you recommend the spending of billions abroad. Mere millions do not interest them.

Mr. EDWIN ARTHUR HALL. The gentleman misunderstood me. I did say "billions."

Mr. RANKIN. I thought the gentleman said "millions."

Mr. EDWIN ARTHUR HALL. Just a matter of a little misunderstanding.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. GROSS. Just why is the gentleman concerned for the housewives when he wants a support price of potatoes at about three times the cost of production?

Mr. EDWIN ARTHUR HALL. I am concerned for the housewives, of course, for potatoes under this support price program as well as for people's ability in the

future to get the food they need in competition with all the foreign demands that will be made upon the agricultural production of this country under the programs we have adopted.

We have many potato growers in up-State New York. They represent an important industry in several localities of my district, I am naturally interested in their welfare.

I want to see our farmers put in a position where they can raise everything they possibly can to feed the people of this country. I know the gentleman agrees with me that our first consideration is to see that the population of the United States is fed.

It was stated here on the floor the other day that if the American people are going to be fed, if we are going to meet the program of ERP and the other alphabetical programs we are pledged to, we will have to encourage the farmers to raise all of the produce and all of the food they can. This bill will implement and make that possible; this legislation is going to save the farmer from going under, and will enable him to produce just as he did in World War II. It was stated on the floor of the House the other day that this price support plan worked out all right when we fought World War II. We fed not only the people of this country and maintained a high standard of living, but we fed the armies of the world as well, and we took care of the downtrodden and those who had been the victims of the aggressors. It was pointed out also that this bill will keep this program in effect and will continue to feed the people who need feeding.

May I say in connection with the matter that I hope the production of the farmers of this country will reach the people of Europe for whom the food is intended, that it will not be diverted into black markets, that it will not be taken over by aggressors and dictators who want to store up warehouses so that they may have a future success in a military way.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Pennsylvania.

Mr. GROSS. The gentleman would rather have the Secretary of Agriculture be the black marketeer and have him store the warehouses full?

Mr. EDWIN ARTHUR HALL. I was not referring to the Secretary of Agriculture.

Mr. GROSS. The gentleman referred to warehouses full of potatoes and food.

Mr. EDWIN ARTHUR HALL. When I mentioned the word "warehouses" I was talking about some of these dictators over in Europe who are doing everything they can to grab a lot of the food that is going over there so they can feed an army to be brought into action against the remaining people of the world who want freedom. I say we can prevent that by seeing that this price support program is adopted and that all these articles are brought in under the program.

(Mr. EDWIN ARTHUR HALL asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I am sorry that I should have to rise in opposition to a committee amendment. I am also sorry that the Committee on Agriculture has become the tool and spokesman and the mouthpiece of a gang of "do-gooders" and New Dealers down in the Department of Agriculture, who lay awake at night trying to find ways of doing things to help the people of this country.

The situation has become absolutely ridiculous. It has been suggested that eggs be put in this program. May I say to the House that yesterday morning in committee it developed that not one producer of eggs in America had asked to have this support. I want to say to the gentleman who just spoke that I, too, am concerned about the cost of living, but I attend committee meetings and I take an interest in them.

Mr. Chairman, this whole parity program is wrong. Parity was not in the beginning set up to guarantee a profit to the farmer. It was set up as a sort of stop-loss order. Think of the ridiculousness of the whole situation. The support price on potatoes for the 1948 production shall be \$3.25 in some sections of the country. Why should a farmer plant anything but potatoes for the Government to buy and dump?

Mr. Chairman, I hope and pray that the Republicans of this country will have sense enough to nominate someone for President who has not thrown the Treasury at the people and who is not throwing the Treasury at the people now but will give consideration to the taxpayer, not the small groups who come from here and there wanting a hand-out from the Treasury.

Parity was not intended to be an incentive to produce. A price of \$3.25 for potatoes will cause a production that the Treasury cannot stand. This will go on all over the land. If they would put the support price, not at a parity price that would guarantee anything, but a support price on potatoes in this country at a cent a pound, no farmer would lose his shirt. No farmer would plant potatoes for that dollar. He would plant them for the market. He wants a high price, yes, but he wants that high price to be established in the market place and not by the arbitrary actions of the Secretary of Agriculture who, at the same time, when he uses Federal funds, practically bribes and buys them by putting them under quota and marketing restrictions. All over the country we held hearings. All over the farmers want high prices, but everywhere they want the authority held down that we place in the Secretary of Agriculture. This bill should be thrown back into the hopper and revised and made a good bill. The farmers are not dumb. If the potatoes are too cheap, they will farm a few acres less, and you will have nothing left to justify this action. If you believe in freedom, if you believe in American traditions as one who wants to give the farmers a chance to make a living, then you cannot go along on this kind of stuff. I am the only farmer on the Committee on Agriculture. I am one of the few farmers in this

House, and I know what the farmers want. I have been interested in this agricultural problem since I was a boy, and I want to tell you that the farmers do not want to be the goat or the pawn of the politicians or the victims of the Department of Agriculture. The farmers do not ask for anything except what is right, and you have no right to offer them anything that they do not want. We are creating a situation where a farmer can come in and make a claim. Right now in the Department of Agriculture they are complaining that the farmers are not cooperating in accepting hand-outs. They say it is because of low income. The banks are overflowing with farmers' money. It is simply because farmers are disgusted with this ridiculous program. Some day you will try to balance the budget and farmers are afraid it will be charged against them. We are not asking these things for the farmers. These things are being jammed down our throats and I am against it from top to bottom.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FOAGE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, while I of course find myself in full accord with the beautiful tributes paid to the American farmer by the gentleman from New York, and trust that all of the good things that he envisions may come about, I cannot share in the fears of the gentleman from Pennsylvania, because I do believe the country is doing a better job than he sometimes suggests.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FOAGE. I yield to the gentleman from Pennsylvania.

Mr. GROSS. The gentleman will remember that when we were down in his home community in Texas I spoke just as I speak here; that your farmers nearly raised the roof, and that the only things you had to complain about down there were that the leaders of the Department of Agriculture were crooked. Your farmers were satisfied with everything else.

Mr. FOAGE. I understand the roof is still on the buildings where we had the meeting, but I cannot recall and charge that anyone was crooked, we only complained of our crooked rivers. While the gentleman undoubtedly made the same statements that he now makes, I do not think that either my farmers or the committee members are entirely in accord with the expression of fear voiced by the gentleman from Pennsylvania; in fact, I must confess that I do not share the gentleman's fears.

I only arose, Mr. Chairman, because Members have asked me to try to help them more fully understand this potato amendment, which is the matter now before us. I think that the chairman of our committee has explained the matter wonderfully well, but I realize that it was utterly impossible for all of us to understand or for all of us to follow the discussion because of the numerous interruptions that occurred.

May I merely say this about the potato amendment, and that is all that is before us right now. We are not going to save the whole world or all of the farmers by this amendment, but it is important because it may save the United States Government a great deal of money. We have a potato program. Many of you people think that there is something wrong with that program which supports the price of potatoes at 90 percent of parity. Now, it actually happens that potatoes are one of those crops where we have learned how to produce a much larger yield than we knew how to produce during the base period 1909 to 1914. Actually they are today producing 800 bushels of potatoes per acre. With that kind of production, it is perfectly possible to produce potatoes profitably at a lower cost than was originally anticipated, and that is probably the basic reason why we have found that our potato price-support program has brought us into trouble. It has encouraged a lot of people to go into the potato business and produce more potatoes than the country needed. But it was the intent of Congress that potatoes should be supported at 90 percent of parity.

The subcommittee of which I am a member, and of which the gentleman from Minnesota is chairman, held extensive hearings on this potato program last spring. We recognized that it was not working without some loss, but in spite of all that it was impossible for the subcommittee to recommend a formula which it seemed would cure the matter. In spite of all the criticism, neither the subcommittee nor any member thereof has brought in any new legislation on the subject. Clearly those who criticized so violently could offer no improvement in the law.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FOAGE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Since we held our hearings a year ago, though, the Department has tried to follow out some of the suggestions we made with reference to the marketing program.

Mr. FOAGE. I think those suggestions have been helpful. I think the hearings of the committee were most helpful. The point I am making is that it was impossible for any of these who were so critical to suggest a better method to support the price of potatoes at 90 percent of parity and still not have some trouble from time to time.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. FOAGE. I cannot yield now because I want to complete my statement. I am sure the reason the Members have never understood this thing is that nobody has been able to complete a discussion.

May I say that the present law requires a support on Irish potatoes at 90 percent of parity, and that is going to be the law until the 1st day of January. The people who planted potatoes this year did so in contemplation that the Congress of the United States would carry out the

promise and the program that had been established. It does not make any difference whether you think it is a good or a bad program, it is your program. You gave it to the farmers. They had a right to rely on it. They did rely on it, and they planted potatoes. All in the world this amendment would say is that we are going to assure those people who planted those potatoes in the year 1948 that they will have 90 percent of parity whenever those potatoes are sold. You might say, "Well, we ought to make them sell their potatoes as fast as possible." but if we made the farmers sell them, if we forced them on the market in December, when we know the farmers could get 90 percent of parity, you would only break the market at the expense of the Government. Surely if the farmers knew that on the 1st day of January they could not get 90 percent, then of course they would sell all their potatoes in December.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. POAGE. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FOAGE. You cannot keep potato growers from getting 90 percent of parity for all the potatoes that are grown this year even if you wanted to do so. All you can do by not adopting this amendment is force all potatoes on the market in the month of December and make the United States Government buy them all, rather than let them move in the normal channels of trade. We do not think that makes good sense. We think it makes good sense to say to those growers, "You keep your potatoes and market them in the regular manner, and if you do not market them until March or April you will still get your 90 percent, so do not dump them all on the market at one time." By doing that, it will be possible to have all of those potatoes move in the normal channels of trade. If they are allowed to move that way we can anticipate that the United States will not be required to buy any of the late crop of potatoes. The Government has not been having to buy the late potato crop because it is in storage, and it keeps. That is the reason we have not been buying the Maine crop and have been having to buy some of the early crop each year. If we have to buy both crops, then you are going to have a real loss to the Government.

If you adopt this amendment we think we will have an orderly marketing of those potatoes with a minimum of cost to the United States Government. It does not carry this change into the program as to future years. It provides that in 1949, when the farmer plants potatoes, he will know he may not get 90 percent of parity. He will be on notice, then, that we have provided for dropping the parity support price on the crop that is grown in 1949. We try to be fair to the potato grower and we try to

do the sensible thing for the United States Government.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Mississippi.

Mr. RANKIN. Does this apply also to sweetpotatoes?

Mr. POAGE. No; it applies to the Irish potatoes only.

Mr. RANKIN. Then you do not do anything for sweetpotatoes at all?

Mr. POAGE. No, we do not change sweet potatoes at all.

Mr. RANKIN. Sweetpotatoes are more valuable than Irish potatoes.

Mr. POAGE. But they are not under the program. Irish potatoes are under it. We are simply talking about the existing program and not a new program.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. KEATING. Is it the gentleman's contention that the reasons for passage of the amendment regarding potatoes apply also to chickens unhatched, eggs unlaidd and pigs yet unborn?

Mr. POAGE. No.

Mr. KEATING. They are all in this amendment.

Mr. POAGE. No, if you will read the amendment, it reads, "white Irish potatoes grown through the year of 1948."

Mr. KEATING. I understood that the amendment also includes poultry, eggs, and hogs.

Mr. POAGE. No; the amendment reads, "Irish potatoes grown in the year 1948, hogs, milk and its products, chickens and eggs." Now the hogs, milk and its products, chicken and eggs may be raised or produced any time. But white Irish potatoes can be grown only in the calendar year 1948 if they are to be supported at 90 percent.

Mr. KEATING. But they are all part of this amendment, and if we vote for the amendment, we are voting to increase the support prices on eggs, hogs, and poultry, are we not or at least to issue a mandate to the Secretary of Agriculture to support all of them at 90 percent of parity?

Mr. POAGE. The support prices are already in existence. You are not voting to increase them, but just voting to maintain them. All of the commodities named are now supported in one way or another. The bill assures continued support of all the commodities the gentleman has named for another crop year or until July 1, 1950, at 90 percent of parity except potatoes. The bill allows the support price on potatoes to drop to 60 percent of parity. The only question here is whether we should let that drop occur on January 1, 1949, in other words whether the support price on potatoes should be changed on a crop-year basis or calendar-year basis.

Mr. HILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am a little surprised and disappointed that any member of our committee would rise on the floor of the House and oppose this amendment when he had all the opportunity in the world to stand up before the committee

and tell us why he did not like this amendment.

Mr. Chairman, I want to read the first five lines of the statement in the report. The report says:

The accompanying bill would provide for a continuation on a modified basis of price support for producers of agricultural commodities until June 30, 1950. The levels at, and methods by, which support may be provided have been modified to provide for improved administration and greater flexibility in the conduct of price-support operations so as to give to producers proper protection and to provide an adequate supply of agricultural commodities at fair prices to consumers.

What could be better than a statement like that? Let me talk just a moment about potatoes. There is no one but who would admit that we have had difficulties with potatoes. Why should not you have difficulty with potatoes? The potato crop is a peculiar crop. I am talking about late potatoes, and if you check, you will find that most of our troubles have been with early potatoes. After all, there is one power that controls production in the world. It is not this Congress, by any manner of means, nor is it the price support program. The laws that govern the universe control production. The farmer is the greatest gambler in the world. He knows when he prepares the ground, and he knows when he prepares that seed bed that he may not even receive his seed in return. Potatoes are a very peculiar crop. We have had from 5 to 7 years of wonderful production where a farmer planted a few potatoes in a hill and had a great crop of potatoes. But we may be headed for difficulties. Even now if you will look you will see a cloud no bigger than a man's hand facing this great Nation of ours. I can talk to any Congressman who lives in a territory in a farm producing area, and you will find letters from farmers and friends in communities who are beginning to realize that the time of pleasant seasons are beginning to pass, and already there are dry spots appearing in many farm territories throughout this Nation. So we could very well get to the point while we are trying to support many foreign countries, give them the food that is necessary to help them maintain and establish a representative form of government—we could very well get to the point, where we would be short of the necessities of life ourselves in this country. Let us not be foolish. Let us talk about potatoes. One of the gentlemen from our committee did have the facts. I will give you the average.

In 1945 we had a potato acreage of 2,862,000. In 1946 we had 2,580,000. In 1947 we had only 2,190,000. We only had actually in 1947 a little over 84 percent of the number of acres you had the year before.

When I was in Germany last year the worst thing I encountered, a thing that caused our committee real worry, was the failure of the potato crop in Germany. There is no argument about the support of potatoes. Any mistake, any error, any difficulty that the Department of Agriculture has had because of the potato

program is a matter of administration and because of the plan. I do not even find fault with them. Potatoes is a difficult crop to handle as we are just beginning to learn. I say frankly today, we had better look out, because the great cities of this country must be fed. They will be fed. They cannot be fed by any such remarks as you have just heard from the gentleman from Pennsylvania.

There came to your own desks this morning from the Bureau of Agricultural Economics this bulletin. What did it say?

The CHAIRMAN. The time of the gentleman from Colorado [Mr. HILL] has expired.

Mr. HILL. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. HILL. The average price, the support price of potatoes for 1948, up to now, is \$1.86 a bushel. Then, in that same report, the farmer is not in anywhere near as good shape as some people would have you believe.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. HOPE. The support price is only 90 percent of the \$1.86.

Mr. HILL. The truth is that potatoes have been bringing 10 cents a bushel more than the support price. The Federal Government, in the over-all picture, is not out a single cent. You have to understand this. Let me tell you something else that you will find in this bulletin. The farmers are in no such a financial position as some would have you believe. On page 15 you will find that in 1947 the income of all industrial workers had risen from the 1910-14 period as an average 438 percent. Keep that figure in mind. I will put the entire line in the RECORD. It shows exactly what the farmer's increase in price has been. The increase in poultry and eggs has been 221 percent. I will have the figures all extended in the RECORD.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. H. CARL ANDERSEN. First, I would like to say that I agree entirely with what the gentleman from Colorado has had to say upon this subject. He is doing a wonderful job for the farmers, as he has always done in this House. But perhaps the gentleman does not know that the Bureau of Agricultural Economics came before our Subcommittee on Appropriations last January and brought out the fact that the laboring man today is paying a smaller percentage out of his dollar for food than he was in 1939.

Mr. HILL. Of course, there can be no doubt about that statement. Even if that were not true, the picture is not too good for a continuation of the wonderful production we have had. I come from a farming section, where we produce more beets than any congressional district in the United States. During the war they asked us to do this job. They asked the farmers of this country to do the job. There was no question but what they got

out and did the work. They increased production in this country on an average of 30-percent increase, and they did it when they had 20 percent less help on the farms than they had before in the history of America.

It is time that this House recognized this fact. All we are trying to do is to continue the program that you have had. I hope you will stand by the committee which thinks this is a good bill, and this is a good amendment.

The CHAIRMAN. The time of the gentleman from Colorado has again expired.

Mr. BUSBEY. Mr. Chairman, I move to strike out the last two words.

(Mr. BUSBEY asked and was given permission to revise and extend his remarks.)

Mr. BUSBEY. Mr. Chairman, I was under the impression that we who are members of the Republican Party in this House ran on a program of economy 2 years ago. If that be true, and I think it is—and that was the plea we made to the people—we are making a very poor attempt to fulfill our obligations in this subsidy program.

What are the facts? The facts are simply these, the potato program in the past two fiscal years has cost the taxpayers over \$100,000,000. A short time ago I had occasion to make a little survey of the situation out in Chicago regarding potatoes, and let me tell you what I found. We had a surplus of potatoes in the Chicago market, but notwithstanding that fact, they moved over 1,000 carloads of potatoes from the State of Maine to Chicago and the Midwest when we were crying for freight cars, box cars, and refrigerator cars on all railroads. It cost the Government and the taxpayers, over \$4 per bag to put those potatoes in Chicago. What did they do?

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. Not just now.

They put them in storage at 25 cents a bag for the first month, and 15 cents a bag for each additional month. Then all of a sudden they started to sell some of these potatoes under the pretense that they were beginning to spoil. They sold sacks of good Maine No. 1 potatoes without a single bad potato in the bag at what price? At 1 cent a bag. One man in my district bought over 7,000 bags of these potatoes at 1 cent a bag, of 100 pounds. Some of them he fed to hogs, some of the others went into the commercial market. And when he got through with these potatoes and had the bags left over he sold the bags alone for 15 cents each. He only paid 1 cent a bag, mind you, for the whole sack, potatoes and everything. That is not all. After a while they moved some of these potatoes out of storage, reloaded them into cars and shipped them back East to New York and exported them to France. What foolishness and cost to the taxpayer through the Department of Agriculture and the Commodity Credit Corporation. And that is not even taking into consideration all the paper work here in Washington. They had to sign contracts on these potatoes to sell them at 1 cent a bag, these voluminous con-

tracts that they make out in the bureaus down here; and think of the overhead and the administrative costs all along the line handling the contracts for potatoes at 1 cent a bag.

Mr. Chairman, I say to you in all seriousness this whole price-support program should be overhauled.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. Not at this time.

Mr. Chairman, I have listened to the same kind of story told by the gentleman from Texas [Mr. POAGE] year after year: "The farmers are depending on this money, we cannot go back on our word." That has been going on for years and years, ever since this program went into effect. We had better start to economize somehow, somewhere.

I now yield to the gentleman from Kansas [Mr. HOPE], chairman of the committee.

Mr. HOPE. The gentleman says we ought to overhaul this program. I call the gentleman's attention to the fact that that is just what we are doing in this bill. We are seeking 60 percent, not 90, but we cannot change the 90-percent parity on potatoes for this year because the farmers have already planted their crops in accordance with commitments under the program. Next year we are reducing that to 60 percent of parity and in addition we are giving the Secretary of Agriculture authority to require compliance with production and marketing quotas in order to cut the support price. We are overhauling the whole thing, I may say to the gentleman.

Mr. BUSBEY. That is exactly what I am complaining about. Every year the same song: "The farmers have already planted their crops in accordance with commitments under the program. We cannot go back on our word." Have we not, as Members of Congress, the courage to stop making commitments? If we stop making commitments of this kind the farmers would not be expecting this dole and we would save the taxpayers hundreds of millions of dollars.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BUSBEY. Mr. Chairman, I want to answer the gentleman from Colorado [Mr. HILL] who spoke about what a grand job nature has done in increasing the production of potatoes. We had a surplus of approximately 100,000,000 bushels of potatoes last year. What was the cause of that? Because hundreds and hundreds of farmers who had never planted potatoes before started out planting potatoes because they were guaranteed the support program. I figured the yield on some of the farms with the support program on potatoes. They were receiving around \$840 an acre off potato farms in the State of Maine.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Texas.

Mr. POAGE. I wonder where the gentleman got the report and the story he is telling us about shipping the potatoes to Chicago, then shipping them to France?

Mr. BUSBEY. I got it right from the Director of the Commodity Credit Corporation in Chicago. I went down to his office and he showed me the facts and figures.

Mr. POAGE. Would the gentleman be willing to put a letter or something of that kind in the RECORD on that because it is so contrary to what we have been able to find out. I do not question the gentleman's statement, except I would like to have something to show it, because it is contrary to the statements made to us in committee, it is contrary to other statements we have had. Of course, it is in line with what newspapers have published. We have tried to check those newspaper accounts and time and time again we have found them to be incorrect. I hope the gentleman will put the documents in the RECORD so that we might check and confront somebody with the facts.

Mr. BUSBEY. I will try to get them. I may say that these are not rumors, these are not newspaper articles or anything of that kind. The statement was made directly to me when I made the investigation personally in the Commodity Credit Corporation office in Chicago. I am sure the committee could verify my statement by writing to the Chicago office of the CCC.

Mr. Chairman, under the circumstances I will be forced to vote against the bill.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GOFF. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am not going to discuss the whole support program. I do know something about potatoes. You may have heard of the Idaho potato.

Mr. Chairman, may I say, first, that the whole support program as far as potatoes are concerned has been a real detriment to the industry because the 90 percent of parity was too high. Without helping the price to growers in established potato areas it encouraged production in new areas. When this matter came up in committee I was one of those who insisted that it be cut to 60 percent of parity. That is provided in the bill before us. But, as the gentleman from Texas [Mr. POAGE] has pointed out, the present 90 percent parity law applies until December 31, 1948, and there is not anything we can do about it. I may explain that there is a large quantity of potatoes grown in our Southern States and in California. Most of these potatoes come on the market very early. All of them are protected by the 90 percent parity program. All the late potatoes, however, are marketed very much later, and I refer to the production of potatoes in Maine, Connecticut, Massachusetts, New York, the upper tier of Middle Western States, and Idaho. In the orderly course of marketing they sell these potatoes to the public in the early months of the

following year, January, February, March, and April.

We have taken care of the support program for next year but with this 90 percent of parity, and with the northern potato producer knowing he must take a speculative chance on potatoes he might market in 1949, what is going to happen is that we are likely to have a terrible glut on the market in December this year. I agree with the gentleman from Illinois [Mr. BUSBY] and I do not want that kind of business. More of it will wreck the potato market. The Government is going to pay millions of dollars out in support prices if we do not pass this amendment. It permits the 90 percent of parity to apply to potatoes grown during the 1948 season.

It is my prediction that we can save the Government a lot of money. Certainly, it is going to help the lot of the northern potato grower because he does not want to sell to the Government. It is going to help the public not to have a perishable commodity put on the market all in 1 month's time.

So far as potatoes are concerned, I hope you will support the amendment.

[Mr. AUGUST H. ANDRESEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. BONNER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, much can be said in support of the entire bill which the House is now considering. Much has been said in condemnation of the administration of the triple-A marketing agreements and the act that expires this December. But certainly to those of us who live in the Southland the entire program has been a Godsend, and it has been of great benefit to those who live in the North and West, particularly in regard to the amendment the chairman has offered with respect to potatoes. I urge the Members from the South to support this amendment. It is just and fair, it is proper, and should be included in the bill. At the present time the Southern States are enjoying the 90 percent of parity guaranteed under existing law, notwithstanding the faults that may have occurred in the act as it exists today, particularly in the administration, and I regret to hear of the terrible mismanagement about which the gentleman from Illinois has spoken. However, we should adopt this amendment to give to those States in the North, those States have have fall crops of potatoes, the security that we have enjoyed in the early States that are now marketing the crops and will continue to market them.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Colorado.

Mr. HILL. I call attention to another most important thing in this bill, and that is, every farmer that is supposed to come under the protection of price support or parity must do this, according to the bill. We think this is a one-sided program. It is not. The bill provides on page 3, line 14:

In carrying out the provisions of this subsection the Secretary of Agriculture shall

have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

Mr. BONNER. I appreciate what the gentleman has said and I thank him for his observation of this point. May I add further that in the South today, in the States of North Carolina and Virginia, we have entered into a marketing-agreement program with respect to potatoes, and we are not permitting other than No. 1 grade potatoes to be shipped from these States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Pennsylvania.

Mr. GROSS. Does the gentleman think it is fair to the man who has a dozen mouths to feed to deprive him of a cheap potato if he can buy it, or a No. 2 grade, which is just as good except for the size? Is it fair? Is it right?

Mr. BONNER. I have had the pleasure of listening to the gentleman in several farm meetings. I know he is sincere and honest. The gentleman has a right to his opinion about this and I have a right to my opinion. I think the result of the entire agricultural program, compared with the destitute condition the farmer found himself in in 1932, absolutely proves that the gentleman simply does not know what he is talking about. I hope, Mr. Chairman, in justice and fairness, this amendment that the chairman of the great Committee on Agriculture has offered will be adopted and that the bill will be passed in its entirety as it is without any crippling amendments. I hope my friends on the left will bear that in mind. Later an amendment will be offered which I consider a very crippling amendment to the agricultural program of the country. We are most fortunate to have as chairman of the Agriculture Committee, such an outstanding, fine gentleman as Mr. HOPE, one who knows the farmers' problems and is willing and anxious to help in the carrying out of the fair and workable farm program that has been in effect for years and found sound. A program that has lifted the farmer, the farm wife and their family from drudgery and poverty to security and a comfortable way of life.

Mr. BUCK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the title of this bill ought to be, "A bill to guarantee that the high cost of living will not go down for 2 years, and for no other purpose."

Let us examine how this guaranty will operate. At any real threat that the present fabulous price of wheat, for example, might come down, which threat would reduce the price the city dweller pays for his daily bread, the Government will step in. The Government will support the price of wheat, which means buying wheat on the open market to prevent the price of wheat and bread from falling. Ironically enough, the money the Government uses to buy this wheat and thus keep bread prices from falling is the very money urban dwellers have paid to their Government in taxes. It is for all the world like forcing a

prisoner to use his own money to buy the rope which will hang him.

But this is not all. The bill assures that these commodities the Government buys to protect the high cost of living will not again reach the market and reduce consumers' prices. Witness the hundreds of millions of dollars presently held in Government wool while clothing sells at all-time high prices. Witness what happened a year or so ago when the Government poured kerosene on thousands of bushels of potatoes, at the same moment it continued to buy potatoes to support prices. The consumer cannot win.

Then there are some more tricks to prevent prices from coming down. The Government under this bill can, and I quote, "impose production goals and marketing regulations upon commodities which are in overproduction or threatened overproduction." Shades of the New Deal—and this is a Republican Congress.

There remained one loophole which might have let consumer prices drop to a level at which consumers could buy without going into bankruptcy. That loophole was imports. Fabulous domestic prices attract low-priced goods from abroad. But that was not overlooked. The bill gives the President the power to shut those goods out with import fees or import quotas. The guaranty that living costs will not fall is still safeguarded.

I now address myself to Members who represent city districts. When your constituents complain this fall against high-living costs, will you squirm a bit in trying to explain a vote in favor of this bill? Think carefully, gentlemen—think carefully.

Mr. Chairman, I yield back the balance of my time.

Mr. GAVIN. Mr. Chairman, I rise in opposition to the pro forma amendment.

(Mr. GAVIN asked and was given permission to revise and extend his remarks.)

Mr. GAVIN. Mr. Chairman, I want to say to my very good friend the gentleman from Colorado [Mr. HILL] that he will also be surprised at my attitude on this legislation. I want to also take this opportunity to compliment my very good and able friend, the gentleman from Pennsylvania, CHESTER GROSS, for the stand that he has taken on this matter. I am glad to see that at least one member of the Committee on Agriculture had the courage of his convictions to stand up and state his position in a very definite manner in opposition to the proposed amendment. If anybody has a right to express himself on the farm question, it is the gentleman from Pennsylvania, CHESTER GROSS, because I feel he is a real dirt farmer. He is an experienced farmer who has more to lose than any other Member of the House for the position he has taken in opposition to these subsidy payments. Now permit me to state:

We built America on free enterprise. We built America on a system of supply and demand. We did not build America on subsidy payments. We did not build it on parity payments or Commodity

Credit Corporations. But several years ago, during the depression, the New Dealers found that there was a wonderful idea of subsidizing the farmer, creating parity prices and subsidy payments and away we went. So even though we are out of depressions and reached new heights of prosperity the program has gone on and on and on. The surprising thing to me is that the Republicans are now picking up where the New Dealers left off. We say we are opposed to subsidies; we are opposed to restrictions and regulations and strangulations on the farmer and business but still we go along and are now going to adopt a program that has been carried on by the New Deal over the past several years. A couple of years ago a certain organization took me apart because I was opposed to subsidies. I said, "Yes, I am opposed to subsidies, and I will always be opposed to subsidies. I do not think it is the American system and pattern that built a great nation. I said, 'I will tell you why I am opposed to subsidies. We spent four or five billion dollars up to that time on subsidies on corn and wheat and cotton and soya beans and peanuts and butter and everything else.'" I said, "We are \$260,000,000,000 in the hole. We did not pay the subsidy bill as we went along. We put it on an already overburdened debt to be paid later" just the same as we are doing here today. I said, "Who is going to pay the bill?" The boys who were over there doing the fighting for you are coming back home and going out to find a job and earn the money to pay the taxes to pay for the subsidies which you spent, you who had security back home and had good jobs. You should have paid the bill as you went along.

Now, are we paying this as we go along? No. We are adding it on to an already overburdened debt. What for? Political expediency or what? I do not know. But I am telling you right now that sooner or later you will have to discontinue subsidies, and you may as well start reconciling yourself to that fact, because it is not the way of doing things, and you had better stop it. The sooner you stop it the better off the country will be, because, in the final analysis, the American taxpayer has got to pay the bill, whether he pays it in prices or pays it in taxes. He pays it anyway. Supply and demand should create the price and create the markets, and it is about time we got rid of subsidies.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to my friend from Pennsylvania.

Mr. GROSS. Does the gentleman realize that none of these proposals originated in the committee or came from the country? The idea came from down there in the Department of Agriculture. They have grown so heavy that their travel agents' expenses amount to more than the operation of the House and the Senate put together. As far as this being a New Deal program is concerned the gentleman from Chicago [Mr. SABATH] was right yesterday when he told us that we were carrying on the New Deal program. Those people are laugh-

ing at the Republicans for going ahead with this program that the gentleman from Colorado [Mr. HILL], a member of the committee, criticized Members for opposing. Let me remind you that I was quoting the parity price in hundred pounds, while he was giving it by the bushel. So there was not very much difference.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GAVIN] has expired.

Mr. GAVIN. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. I want to thank my good friend the gentleman from Pennsylvania [Mr. GROSS] for his contribution and then I will be glad to yield.

I want to call attention to the fact that our good friend and former majority leader the gentleman from Massachusetts [Mr. McCORMACK] was of a different opinion than that held by the gentleman from Illinois [Mr. SABATH]. The gentleman from Illinois [Mr. SABATH] vigorously opposed this legislation, while the gentleman from Massachusetts [Mr. McCORMACK] endorsed it wholeheartedly. So there is a difference of opinion on their side of the aisle as well.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. CASE of South Dakota. I just wondered if the gentleman were going to abolish subsidies, if he would start with abolishing what is known as "Pittsburgh plus."

Mr. GAVIN. Well, I am not in a position to discuss "Pittsburgh plus." Let us confine our discussion to the program of subsidies on wheat and corn and cotton and soybeans and peanuts and flax and butter and everything else. The American taxpayer is entitled to some relief. I was hoping that my side of the House, when we came into control, would not be carrying on a program that has been carried on and adopted by the other side for the last 15 years. Now, this country is \$260,000,000,000 in debt. Let me call your attention to this fact: A million dollars is one thousand thousand dollars. A billion dollars is one thousand million dollars. We owe two hundred and sixty thousand million dollars. So you are going to sit here today and add to this already over-burdened debt and, to appease everybody on both sides of the aisle, because this is an election year, you do not have the courage of your convictions to stand up and be counted against these subsidy programs that have gotten us into the condition that we are in today. We are fast heading toward bankruptcy.

As far as I am concerned, I say it is about time to call a halt on this unnecessary spending.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Oh, to my friend from Massachusetts? Yes.

Mr. NICHOLSON. I wish to ask if under this bill the small farmer has to plant what he is told to plant by somebody in the Department of Agriculture?

Mr. McCORMACK. Oh, of course not, no. The farmers meet, they have a free election in their various communities and sections. That is my understanding of our basic farm legislation. Does that answer the gentleman's question?

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HOEVEN. The gentleman knows of course that this is not a party matter.

Mr. McCORMACK. Not now, not now. It was in years gone by when we Democrats put it through.

Mr. HOEVEN. The gentleman from Pennsylvania [Mr. GAVIN] found fault with the fact that the Republicans are sponsoring this legislation. I just want to call to the attention of the members of this Committee that the backbone of the Republican Party is in the agricultural States of the Midwest.

Mr. McCORMACK. That is a very good Republican observation. I hope the backbone of the Republican Party, the farmers, will remember that it was the Democratic Party that gave them the farm legislation years ago when they were prostrated and then when they turned in vain in 1929, 1930, and 1931 to their Republican Representatives in Congress, turned to them in vain. It was only after we Democrats came in under the leadership of the immortal Franklin D. Roosevelt that a real farm program was put into operation. It is most pleasing to know that the Republican Party has finally been converted.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. The New Deal certainly has been beneficial to the farmers, and despite all of the characterizations of past years the great majority of the Republican Members of Congress are now coming in falling over one another to try and show their farmer constituents that they favor this legislation which is strictly New Deal legislation proposed by Franklin D. Roosevelt and put on the statute books by a Democratic-controlled Congress against the severe opposition of the Republican Party in the Congresses of the past.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the smartest Republican politician in Congress, the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. I thank the gentleman.

Mr. McCORMACK. And, by the way, the manager of one of the Republican candidates for President who said that Congress ought to adjourn because of President Truman's statement, and forgot 145,000,000 other Americans.

I yield to the gentleman.

Mr. BROWN of Ohio. If the gentleman will yield, I wish to ask this simple question.

Mr. McCORMACK. Is it simple?

Mr. BROWN of Ohio. Yes; very simple; I think the gentleman can understand it.

The bill to which the gentleman referred and to which he pointed with such great pride as having been passed in the early days of the New Deal is the bill the Supreme Court declared unconstitutional; is it not?

Mr. McCORMACK. Yes; but we passed other legislation, and the legislation that is upon the statute books was passed by Democratic Congresses. The pending bill is nothing but an extension, in the main, of existing law on support prices and that was placed on the statute books by a Democratic-controlled Congress. Does the gentleman deny that?

Mr. BROWN of Ohio. No.

Mr. McCORMACK. The gentleman makes my case out then.

Mr. BROWN of Ohio. The gentleman remembers very well that after the New Deal legislation, to which he originally referred, was declared unconstitutional, the gentleman from Kansas [Mr. HOPE] and some of the Republican members of the Committee on Agriculture worked out a bill that was constitutional.

Mr. McCORMACK. The gentleman is trying to hang his hat on the gentleman from Kansas [Mr. HOPE], who is one of the real outstanding Members of Congress and who as a Republican was constantly repudiated by his own party in bygone years when he was trying to cooperate with the Democratic majority in getting through a real, sound, stable agricultural program. It is very pleasing now to note our Republican friends are converted to good Democratic policies.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. FLANNAGAN].

Mr. FLANNAGAN. Mr. Chairman, I hope we will dispense with the political discussions until after the national conventions have met. This is a question that affects the whole economy of America. Republicans and Democrats should be equally interested in seeing this price-support program put over.

Mr. Chairman, I know something about how the farm program was worked out and I thank God it was not worked out under the leadership of the two gentlemen from Pennsylvania who have just spoken. It was worked out by Democrats and Republicans alike of the House Committee on Agriculture. That is where most of the farm legislation originated. I am happy to say that the members of that committee, both Democrats and Republicans, when they enter the committee room leave their politics on the outside. They have been work-

ing over the years in the interest of the farmer, without regard to politics, and as a result I believe the farmers of America today have the best program of any country in the world. Now, let us forget politics. We have a most important piece of legislation, so far as the farmers of America are concerned, up for consideration today. Let us consider it on its merits. Do not let us measure it by the Democratic yardstick or the Republican yardstick, but let us measure it by a higher yardstick, namely, what is good for the American people, with special reference to the American farmer. I know that the consumers of America, when they understand this program, are going to be just as strongly in favor of it as the farmers themselves.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Colorado.

Mr. HILL. May I say for the benefit of the House that the gentleman from Virginia [Mr. FLANNAGAN], who is the former chairman of the Committee on Agriculture, could not have been more nonpartisan than he was during my service on that committee, and today, with the gentleman from Kansas [Mr. HOPE] as chairman, we do not recognize politics on our committee. There is never a single word, as the gentleman speaking well knows, of a political nature discussed in our committee. May I add, we will sorely miss the gentleman from Virginia when he retires from our committee and the House next January.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

The Chair recognizes the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER of Connecticut. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kansas [Mr. HOPE] which will permit the growers of potatoes to harvest their 1948 crop any time prior to June 30, 1949, and still be assured of the guaranty of 90 percent of parity. I agree with the gentleman from Kansas that this is the best way out of a bad situation. Unless we extend this guaranty the 1948 crop of potatoes will be thrown on the market in November and December of this year. Under existing law the Government would have to buy those potatoes at 90 percent of parity. We know from experience that they could not be disposed of economically and the result would be that millions of bushels of perfectly good potatoes would be thrown away.

Mr. Chairman, I am opposed to extending this so-called price-support program for another 2 years. I think the bill could quite properly be called a bill to support the high cost of living.

When I first came to the House in 1939 some of my friends from the agricultural districts attempted to explain the so-called parity formula to me. I do not expect to live long enough to understand all of the details of the parity formula. I was convinced, however, that if farm prices ever reached the parity level, the American farmer would be in a seventh heaven.

Some representatives of rural districts preferred the so-called cost-of-production program rather than the parity program. To guarantee the American farmer the cost of production appealed to me as extending reasonable support.

During general debate yesterday several Members stated that we had guaranteed industry a profit during the war. I know of no legislation that guaranteed industry a profit. It is true that many corporations made large profits but many suffered losses even during the war years. Colt's Patent Firearms Corp. is certainly a well-known munitions manufacturer. It may surprise many of my colleagues to learn that Colt's actually operated at a loss during some of the war years.

Is there a single Member of this House who honestly believes that there will be any need of support prices for agricultural products during the next 2 years? Certainly the amount of currency in circulation and the demand for foodstuffs both at home and abroad should be sufficient guaranty to the American farmer of a fair price in a free market and without the necessity of Federal control and regulation. Let us look for a moment at the way the potato program worked out this past year under this legislation. It cost the American taxpayer more than a hundred million dollars, and at the same time the American consumer of potatoes paid just about the highest price in all our history. Hundreds of thousands of bushels of perfectly good potatoes were burned or otherwise deliberately destroyed. It is only natural that every farmer who has some cultivatable acreage will go out and plant potatoes if he knows that he is guaranteed a very substantial profit.

I understand in the bill now before us it is proposed that we prevent farmers from growing all the potatoes they want to grow by adopting some system of acreage allotment. I for one have not reached the point where I am willing to admit that we can no longer operate a free economy here in the United States. I still look forward to the day when an American citizen can buy a farm, operate it as he sees fit, grow whatever crops he wishes to grow, and that the country will be prosperous enough to assure him a fair return on his investment and for his labor. To me that is the American way.

Unfortunately, partisanship has been injected into this discussion. The gentleman from Massachusetts [Mr. McCORMACK] expresses pride that the price-support program is a New Deal program sponsored by the late President Roosevelt. He expresses the hope that the American farmer will remember that in November. I would point out to the gentleman from Massachusetts [Mr. McCORMACK] that the American farmer has passed on his administration's agricultural program in several elections since 1932.

The votes cast in the Farm Belt and in the rural areas of industrial States indicate quite clearly that the American farmer will accept the dollars Congress votes to give him, but when election day comes around he expresses his disapproval of the whole program by voting

against those who propose and make effective such a system.

I am reminded that in the campaign of 1944 one irate farmer in my district endorsed a check for something over \$300 that he had just received from Washington, to the Treasurer of the Republican campaign committee and sent a note along with his check saying he wanted this Government check used in the most effective way that it could be used to defeat the program under which the check had been sent to him.

There may come a day in the United States when we should consider and may need a price-support program. When that day comes we can deal with the situation, but there is nothing before us today that indicates any need for this program for the next 2 years at least.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, coming from the greatest steel center in the world, the city of Pittsburgh, and not knowing anything about the farm-price program, I was very much interested to hear my good friend and colleague from South Dakota [Mr. CASE] refer to the Pittsburgh-plus program. He, of course, is way out in South Dakota and I do not think he understands the Pittsburgh-plus program. The Government has nothing whatever to do with it. That is simply a business arrangement made between the producers of steel and coal and one or two other products. Why Pittsburgh-plus should be brought into the argument by the South Dakota farmers I cannot understand, because the Government certainly has nothing to do with initiating or continuing a Pittsburgh-plus basing point.

Then I was also interested to hear my friend and colleague from Pennsylvania [Mr. GAVIN] say that this program is not the American way of free enterprise. I wonder what all the farmers throughout the country who have been so much in favor of this program will think about the remarks of my friend when he makes that statement.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I think the gentleman misunderstood me. What I meant to say was that it is against the principles on which this country has operated. It is an entirely different procedure. It was instituted by the New Deal, and I regret that our Republican colleagues are now following on with it.

Mr. EBERHARTER. From what I can understand, this amendment is a good amendment, because it will stabilize the potato market. We in the cities like to have the potato market stabilized, of course. That is the reason I am going to vote for the amendment.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield, gladly.

Mr. CASE of South Dakota. I was wondering if the gentleman would not admit that the Interstate Commerce

Commission has something to do with railroad rates, which are related to Pittsburgh-plus, and if the tariff laws do not have something to do with the protection for Pennsylvania steel?

Mr. EBERHARTER. The Pittsburgh-plus basing-point system is a matter of private enterprise and private business. The Government certainly did not set it up, so I fail to see any relationship between the two.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I had hoped the chairman of the committee, the gentleman from Kansas [Mr. HOPE] would be here at this moment. I wanted to ask him some questions. But perhaps the gentleman from Colorado will be able to speak for him in answering.

The thing that disturbs me most about this amendment has not been mentioned in the debate thus far. I can see no objection to that part of the amendment which provides that Irish potatoes harvested before January 1, 1949, will be marketed in an orderly way throughout the first half of next year, if they are not disposed of before the end of this year. But in order to get that which I favor I have to take the latter part which puts hogs, chickens, and eggs under a support-price guaranty of 90 percent of parity for next year and until June 30, 1950. In the case of potatoes we are merely providing for the orderly marketing of potatoes already in the ground. It will not in the least increase production of them, but for eggs, hogs, and chickens, the amendment will guarantee clear up until the middle of 1950 a 90-percent support price, no matter how great surplus production that may stimulate for next year. No evidence, facts, or figures or even estimates have been presented on these commodities. I do not like to vote for any mandatory 90-percent support without some justification from the committee. I would rather leave them under the flexible 60 percent to 90 percent of parity guaranty.

It seems to me the committee ought to agree to divide the amendment and let us vote on the potato proposition separately from the others. Let each stand on its merits. We do not want to create the sort of expensive surpluses and wastage of these other commodities that developed with potatoes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to my colleague from Minnesota than whom there is no greater expert in these fields.

Mr. AUGUST H. ANDRESEN. The gentleman does not need to have any fear about the price of hogs going down to the support price level.

Mr. JUDD. Then why put hogs in? As a matter of fact I am not so concerned about the hogs, or even the chickens. It is eggs I am worried about. I think we may get into trouble with egg surplus as we have a couple of times before.

Mr. AUGUST H. ANDRESEN. The poultry population is 10 percent less now than it was last year, which means fewer eggs. The pork population is down. The

cattle population is down. Meat prices and pork prices are going up, and the people of the country will be eating more eggs because of the higher price for meat.

Mr. JUDD. If that is true, if you are so confident that there will be increased demand for eggs with resultant higher prices, then the price support will never be necessary, so why do you want to write it in? Why do we not allow the Secretary of Agriculture discretion in setting support prices for these commodities between 60 and 90 percent of parity, depending upon whether a shortage in production of eggs, chickens, or hogs actually develops or threatens?

Mr. AUGUST H. ANDRESEN. Let me point out to the gentleman that the poultry industry of the United States is a very sensitive industry.

Mr. JUDD. That is right.

Mr. AUGUST H. ANDRESEN. It takes time to raise a chicken that will lay eggs. You cannot turn on a faucet overnight and accomplish that. Therefore, in order to insure a sufficient quantity of eggs that might be consumed next winter, you have to make plans for that now, so that these pullets can be raised and be in production next year.

Mr. JUDD. Will the gentleman accept a division of the amendment so that it can be voted on in two parts?

Mr. AUGUST H. ANDRESEN. I do not think it would be advisable.

Mr. JUDD. I regret that I am forced reluctantly to vote against the potato part which I strongly favor, because of some of the other parts for which the committee has not presented convincing evidence.

Mr. AUGUST H. ANDRESEN. Then the gentleman is penalizing his consumers.

Mr. JUDD. I do not think so.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I regret that in some portions of the debate this afternoon we have heard speeches and observations with a sectional tinge. I do not suppose there is a potato that will be sold in the market in my district. I do know, Mr. Chairman, that this particular amendment with reference to potatoes, whether it passes or not, would make no difference in the world to the potato growers of the south. Therefore, my approach to this matter is entirely impersonal. I believe that in America we should be one for all and all for anyone who needs us. It is a matter of high importance to the Government, then, in the saving of money to the growers of the north in Maine and in the western States such as Idaho and many other States, that we might name, that this amendment be adopted. If the farmers of those regions are compelled to sell their potatoes in order to get the benefit of the parity provision in November and December, they must sell them at 60 cents if that is the market price, and then they must look to the Government for the difference between that and the parity payment. But if you will let them follow an orderly market which is not

glutted because of a crop that has to be sold within a certain period of 30 to 60 days, and if you give them the same assurance for the 1948 crop for sales later, then they will have an opportunity to work their own way out and guarantee to the Government less possibility of loss through such payments. Wherever we live, north, south, east, or west, let us try to legislate for the benefit of the country, so that we will be one for all and all for one. I think my friend, the gentleman from Minnesota, is under a misapprehension about the egg proposition because that is necessary in view of the fact that the poultry population is going down, and if they have any assurance of some kind, it is going to go out.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. STEFAN].

(Mr. STEFAN asked and was given permission to revise and extend his remarks.)

Mr. STEFAN. Mr. Chairman, this farm bill should pass. I will support it wholeheartedly, because it is similar to the bill which I recently introduced, although I firmly believe mine to be a superior bill. However, this legislation will help the American farmer insofar as the basic commodities are concerned, and for that reason should be made law.

It is gratifying indeed that we are giving some consideration to the American farmer here today. I must confess that I am rather surprised that the farmers of the United States have been able to get some consideration. We have all been so busy giving away the good food which he produces, I was beginning to suspect that we had forgotten the man who grows it.

And while the Congress is in this most charitable mood, I beg it to give its careful attention to another bill, of which I am the author, and which is aimed at the solution of a pressing domestic problem. I refer now to my bill to establish a Department of Transportation.

Such legislation is needed in order to solve a problem which long has plagued our farmers and consumers—the problem of transportation and distribution. This problem will continue to plague us until legislation such as I now propose is made into law.

Several Members from city districts have taken the floor today and talked against this farm legislation. They, with expressions of pure holiness, claim we are subsidizing the American farmer—a peculiarly difficult remark for me to understand, since it comes from those who have recently passed legislation which would subsidize millions of farmers in some 16 foreign countries. But in the passion of their righteousness, these Members from the city districts have neglected to tell you how industry and big business are subsidized. They neglect to tell you that in the ECA relief program big business is given a golden opportunity to pour hundreds of millions of dollars into already overflowing Wall Street coffers.

The critics to whom I have listened patiently—even wearily—today, are the same ones who criticized our committee when it cut the ECA appropriations somewhat so that American farmers could

have a little more machinery; so that American consumers would not have to tighten their belts to a point of pain because of the scarcities ECA may cause.

These critics from the city neglected to tell you, among a great many other things, about the price of eggs. When American farmers were getting 28 cents a dozen for eggs, the consumers in the East were paying from 85 to 90 cents a dozen for the very same eggs.

Contributing to this big difference in prices is the cost of transportation and distribution, a problem which my bill seeks to remedy.

But let's go back to the ECA for just a moment, so that I might point out further inconsistencies in the arguments of the city critics. Our committee, in the course of carefully examining the ECA, studied the availability of every item in the United States which the ECA plans to include in its program. We studied availabilities and production potentials in the participating countries. We are familiar with every item that will go into this gargantuan gift. And we do not object to the food, medicines, clothing, and necessities needed to help our less fortunate friends across the oceans. But I believe our American people expect us to study each item carefully and give some serious consideration to the needs and wants of our own people. There is a half-billion dollar cost for transportation alone in this program. There are hundreds of millions of dollars worth of machinery, steel, copper, wool, cotton, tobacco, and many other items which affect our availability and economy.

In the first year of the program alone, there will be taken from this country five to six billion dollars worth of items in general need here. Admittedly, much of it we can spare and will gladly share with the needy foreigners. But the argument that we are subsidizing the American farmer in this bill is definitely not supported by facts. Rather, it is the foreign farmer that the ECA bill will subsidize to the tune of billions of American taxpayers' dollars. And not merely for 1 year, but at least for 4½ years and perhaps more.

The total can easily exceed \$25,000,000,000. The program hopes to increase the productive capacities of foreign farms; it hopes to bring under cultivation greater areas of foreign lands, so that the countries of Europe can attain a level where they can feed themselves.

This is indeed a laudable purpose. But I must object strenuously when the city Members suggest, as they did today, that this American farm bill will be doing something for American farmers to which they are not entitled.

The American farmer has performed miracles of production whenever he has been called upon to do so, either in time of war or in time of peace. And he is being asked to perform another miracle now.

But I ask you, is it unreasonable to request that we start protecting the American farmer against the day when he will again be faced with foreign competition in his own American market.

I do not think it ridiculous of me to demand that in our hysterical rush to rebuild the world we do a little rehabili-

tation right here in America and on American farms.

Mr. Chairman, I recommend passage of this American farm bill.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

The Chair recognizes the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, I think the controversy on this one commodity, potatoes, is indicative of a significant fact. It is indicative of the success of the agriculture price-support program. I think it is rather remarkable that a program of such vast scope and complexity as a price-support program of so many and varied commodities would be before the House for debate, with no more complaint or criticism of its operation than we have had here today.

With respect to the price support on the nonbasic agricultural commodities, I would like to recall to you that it was enacted for two reasons; first, to encourage production during the war; and, second, to give to the farmers a justifiable assurance of a reasonable income from the commodities which they did produce in response to the request of their country to do so. This guarantee extended for 2 years after the end of the war. The program has been a success, but unless extended it dies next December. Hence this bill which I hope the House will adopt.

I appreciate the kind reference of the distinguished gentleman from Wisconsin [Mr. MURRAY] on yesterday to the part I had in bringing about the enactment of the program at that time, when I was a member of the Committee on Banking and Currency, which committee was led by one of our beloved and departed colleagues. I would like to just take a moment to pay tribute to the memory and service of the late Henry Steagall.

Those of us who labored with him know that he was a gentleman of sterling heart, of abiding faith that programs like this could be made to work, of abiding faith in the ability of democracy to meet the tests, to solve the problems. Henry Steagall made great contributions to his country. He was a great citizen. May God give to us and our posterity more men of his worth.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

The gentleman from Maine [Mr. FELLOWS] is recognized for 3 minutes.

(Mr. FELLOWS asked and was given permission to revise and extend his remarks.)

Mr. FELLOWS. Mr. Chairman, I come from a State that raises potatoes and a few other things. We produce up there nearly one-seventh of all the white potatoes produced in this country.

I am not a great subsidy advocate. Any man who is opposed to all subsidies can support this amendment so far as potatoes are concerned. The proposition is in here to meet a definite situation. We face a condition, not a theory. Unless something like this is done the farmers will suffer and the public will suffer because the Steagall amendment is going to expire on December 31, 1948, and after that there is to be a reduction to a minimum of 60 and a maximum of 90 percent in the parity support price formula. Between those two figures it

is to be left to the Secretary of Agriculture. You can see what is going to happen next December unless the price of this year's crop is protected. The market will be destroyed. So I am going to support this amendment to save the farmers and the public from the evil results which will otherwise inevitably follow.

The CHAIRMAN. The gentleman from Massachusetts [Mr. NICHOLSON] is recognized for 3 minutes.

Mr. NICHOLSON. Mr. Chairman, I am against this proposition because I believe it is another manifestation of the old effort to have the Government take care of you and me, which idea is repugnant to the people whom I represent here. We are able to take care of ourselves.

The gentleman from Maine who just spoke is afraid the market may be glutted. I think that Yankee institutions and initiative can take care of their own markets. We are being asked here to take care of a certain group of farmers. Let me ask who takes care of the fisherman who goes out on his boat and takes his life in his hands every time he does so? How many of you know the number of boats which come back with one or two members of the crew missing? Who is going to help support their families? They can take care of themselves if given the opportunity to compete. The only important thing we need is competition. They talk about potatoes. They say they cannot ship them to Europe because of the lack of refrigeration. Let me remind you that we took care of the potato situation and the food situation and every other situation before the New Dealers decided to try to regulate our lives. I do not say that this is a New Deal regulation, I will not admit it; but I will say once and for all, that the sooner we return to the proposition under which we were born—to take care of ourselves—the sooner we will be 100 percent better off. When the day comes that we must ask somebody from California, Arizona, New Mexico, or Florida, to take care of the State of Massachusetts, I do not want to be here. Let us each take care of our own problems in this country; let us get back to the system we had that worked so well for 300 years. Let us try to run our own affairs and not try to tell somebody else what is best for them to do.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Kansas [Mr. HOPE] to the committee amendment.

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 101, noes 13.

So the amendment to the committee amendment was agreed to.

Mr. JUDD. Mr. Chairman, I offer a substitute amendment for the committee amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. JUDD as a substitute for the committee amendment in the bill as amended: Page 3, line 6, strike out the following: "except milk and its products," and insert in lieu thereof: "except that Irish potatoes harvested before

January 1, 1949, milk and its products, hogs and chickens."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota as a substitute for the committee amendment.

The substitute for the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, line 14, after the word "hereof", insert the following: "In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support."

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

(Mr. CASE of South Dakota asked and was given permission to revise and extend his remarks.)

ESSENTIAL IN FARM PROGRAM

Mr. CASE of South Dakota. The backbone of a sound agricultural program must have two features. One is to put a floor under commodity prices for times of slump. The other is to maintain soil as a national resource.

This bill proposes to take care of the first item by continuing the so-called support program which would otherwise expire at the end of this calendar year. As the gentleman from Kansas [Mr. HOPE] has explained, the committee on agriculture is working on a long-range farm program but proposes to continue this support program in the meantime. Certainly that should be done and this bill should pass by an overwhelming vote.

Maintenance of soil fertility is a function of the soil conservation program. That, too is essential and when time comes for the House to express itself on continuing an adequate program in that regard, I am sure it will do so.

Mr. Chairman, this Congress is meeting its responsibility in giving attention to matters such as these before we adjourn, and I express my appreciation for the action of the Committee on Agriculture and the Committee on Rules in bringing this bill before us today.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 3, line 21, strike out "1948" and insert "December 31, 1948."

Page 3, line 23, strike out "1949" and insert "June 30, 1950."

Page 4, line 9, strike out the words "and the ability of producers to bring supplies into line with demand" and insert the following: "In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support."

The committee amendments were agreed to.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWIN ARTHUR HALL: Page 2, line 1, after the word "peanuts", add the words "all fruits."

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I ask unanimous consent to withdraw the amendment at the termination of my remarks.

The CHAIRMAN. Without objection, so ordered.

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, the gavel fell when I was on my feet before, and I was unable to get the point over that I was making. Therefore I am going to indulge the Committee further by speaking about a great industry which does not have any boundaries except the very limits of the United States. I speak of the fruit industry. Not only can pears, apples, grapes, and all those other edible fruits which are raised in up-State New York be included, but also citrus fruits of Texas, oranges of California and Florida, and any number of other fruits that are grown throughout the entire Nation. Fruits should certainly be included in the program, but due to the fact that I did not mention anything of that sort to the chairman, because it was motivated by rather an eleventh-hour thought, and in view of a point made to me by one of the other Members of the House who is not a member of the Committee on Agriculture, I will not present the amendment for a vote.

I do feel, however, that it is a subject which ought to command the attention of the House, that fruits of all kinds ought to be included in such a program. I am happy to say that 3 or 4 years ago, when the subject of crop insurance was up on the floor of the House, I presented an amendment which was passed by the House to include all fruits in the crop-insurance program. Perhaps you do not think there is much connection between crop insurance and this support-price program, but there could be some relationship, and I think the subject ought to be aired here today. It ought to be emphasized that there is a possibility of some of the canneries of the Northeast being unable to meet their 1948 pack unless the fruit and vegetable growers are guaranteed a support price. I am told that they are not going to be able to have enough of a crop so that they can possibly operate in the 1948 pack.

I want to call attention to another matter which I think is deserving of notice at this time. Two distinguished members of the Committee on Agriculture are leaving the House. They have served here many years. They have contributed a great deal to the thoughts and the efforts of the Committee on Agriculture and of the entire House of Representatives. They are deserving of the most honorable mention. I speak of our former distinguished chairman, the gentleman from Virginia [Mr. FLANNAGAN], and our beloved Member on the Repub-

lican side, the gentleman from Illinois, Mr. ANTON JOHNSON. The gentlemen I have named are leaving the House at the end of this session. They will be sorely missed, certainly by the Committee on Agriculture, as well as by the entire membership. I believe that such sterling Americans as those gentlemen deserve all the tributes it is possible for this House to give.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I was interested in the remarks made by the gentleman about fruits. The gentleman is a member of the Committee on Agriculture and is always alert to take advantage of every situation. Did I understand him to say that he intended to withdraw his amendment?

Mr. EDWIN ARTHUR HALL. I asked unanimous consent at the beginning of my remarks to withdraw the amendment at the termination of my speech.

Mr. AUGUST H. ANDRESEN. So the gentleman does not care to press his amendment for a vote?

Mr. EDWIN ARTHUR HALL. I do not care to, for the reason I gave. I have not consulted with the chairman or the other members of the committee. I did not wish to impose upon them at this time because, as I explained before, this was motivated as a result of an eleventh-hour discussion I had with one of the other members of the committee, but I believe it is worthy of consideration.

Mr. AUGUST H. ANDRESEN. The gentleman, of course, has always been aware of that situation, so it did not lead to any particular observation for another member to call attention to it now. It is nothing new.

Mr. EDWIN ARTHUR HALL. I appreciate the gentleman's efforts, but I was not armed, let me say, with some of facts which he presented me until a few minutes ago and I hesitate to press the amendment further.

The CHAIRMAN. The time of the gentleman from New York has expired.

[Mr. WINSTEAD addressed the Committee. His remarks will appear hereafter in the Appendix.]

[Mr. WINSTEAD asked and was given permission to revise and extend his remarks.]

[Mr. WILLIAMS addressed the Committee. His remarks will appear hereafter in the Appendix.]

[Mr. WILLIAMS asked and was given permission to revise and extend his remarks.]

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 2, line 1, strike out "rice, and peanuts" and insert in lieu thereof "and rice."

Mr. DIRKSEN. Mr. Chairman, in view of the fact that I may be the only one on one side to belabor this amendment, I ask unanimous consent to proceed for an additional 10 minutes.

Mr. HOPE. Reserving the right to object, Mr. Chairman, I assume the

gentleman would have no objection if the gentleman from Georgia [Mr. PACE] might have an equal length of time when it comes to presenting the opposition.

Mr. DIRKSEN. Of course not.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, before I address myself specifically to the amendment, let me just say one word about this bill generally. I doubt whether any piece of legislation has disturbed me quite as much as what is before us today. Pending in the Rules Committee are two bills to provide pay increases for the postal workers and for the generality of Government workers. I do not know what the aggregate amount is, but I fancy it is probably \$500,000,000 and maybe more. It is labeled a cost-of-living-increase raise. The same bills are pending over on the other side of the Capitol. Raise the cost of living and then, of course, of necessity you must come along and raise the capacity of people to enjoy a decent living standard.

The thing that disturbs me most about this bill is the mandatory provisions. If you read the bill, you will find that the Secretary of Agriculture must take all the instrumentalities at his command, cash and credit resources and authority, for the purpose of supporting prices. It is not flexible, it is not permissive. Line 4 on page 1 states that the Secretary is "authorized and directed." He has \$5,250,000,000 of cash and credit authority to do what? To follow out what we propose to tell him to do, and what we are going to say to him is this: "Mr. Secretary, we do not care what the conditions are, we do not care what you may think and what your findings may be, we do not care what kind of adjustments you would like to make on the basis of your findings over the country, the Congress is going to say to you that you must, whether you like it or not, support 90 percent of the parity price on cotton, corn, wheat, tobacco, rice, peanuts, milk, milk products, potatoes, sweetpotatoes, hogs, chickens, and eggs." That is what you are going to say to the Secretary of Agriculture today. I regret there is not time enough at this late hour to devote myself to the philosophy of this bill. To my friends on this side of the aisle, I am going to say that this is going to be the biggest argument you will have. I have argued and debated upon the platform in nearly every State in the Union. I am willing to meet any argument that comes along, but when a man stands up in an audience at Yakima or Portland or Massachusetts or in Illinois or Greensboro, North Carolina, or Texarkana and waves a newspaper advertisement and says to me, "Mr. Congressman, what are you going to do about \$1 steak?" I have run out of arguments, and you are likewise going to run out of arguments. You see, by making this rigid, by removing all the flexibility on hogs, chickens, sweetpotatoes, potatoes, rice, corn, wheat, cotton, and all the rest of the commodities.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. HOPE. The gentleman speaks as if this bill were adding inflexibility to the law. As a matter of fact, this bill add flexibility. While there are some commodities on which the inflexible rate is maintained, on many commodities the bill does authorize a flexible rate.

Mr. DIRKSEN. But we had added commodities to which the flexible rate does not pertain.

Mr. HOPE. No; we are not adding commodities to which the flexible rate does not pertain. Heretofore the rate on all the Steagall commodities has been not less than parity. In this bill we say the rate on most of them shall not be less than 60 percent.

Mr. DIRKSEN. I understand. The last amendment by the committee specifically added new commodities.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. FLANNAGAN. This bill and the price program has nothing in the world to do with \$1 steak. If cattle were selling today for 90 percent of parity, steak would not be anywhere in the neighborhood of \$1.

Mr. DIRKSEN. I would say to my friend that I was using that as symbolic of the cost of living. If you do not have the cost of living involved in this bill, I would like to know what it relates to.

Mr. Chairman, in the first part of this bill you mandate the Secretary of Agriculture to support at 90 percent of parity the price on peanuts. The amendment that I have offered undertakes to exclude peanuts. The welkin rang not so long ago in the great struggle here, the struggle of the century, the American housewife versus the American dairy cow. The American housewife won by more than a 2 to 1 vote. The argument I make to you today is for the American youngster who eats candy bars with peanuts in them against the oil expressers and against the policy which keeps the price so high that the number of peanuts in a peanut bar is gradually getting less and less. That is the argument today. When I was in high school way back in 1909 and 1910, one of my greatest delights was to walk home after school or a school party munching a bag of peanuts. Principally they were munched in ball parks. It can hardly be said that it was an outstanding commercial crop, because the value of the crop then was about \$14,000,000 and the value of the crop in 1947 or 1946 was in round figures perhaps \$240,000,000.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. PACE. The gentleman will want to revise that figure. The maximum value would be about \$150,000,000.

Mr. DIRKSEN. One hundred and fifty million dollars. That is right. I meant about \$140,000,000 when I used the figure above.

Now, over the years peanuts came along, and finally became a basic crop. For practical purposes they are considered as a basic crop in this bill today

and the Secretary of Agriculture is mandated with respect thereto. I do not quarrel so much about the fact that the grower in Georgia and Florida and California and Texas and Alabama and Virginia and the Carolinas and elsewhere is entitled to a fair shake, but I say to you that what we are going to do today is to further price peanuts out of the market.

When the Secretary of Agriculture appeared before the committee on this long-range program, in April of 1947, this is what he said:

We should make sure, however, that we do not establish a rigid system of price relationship. We will do well to heed the warning of the House Special Committee on Postwar Economic Policy and Planning. It spoke of the danger of pricing our commodities out of the markets. It states the needed long-run adjustments in agriculture will not necessarily be accomplished by present price-support programs, together with a system of production quotas.

So by keeping this price up where it is at the present time, you are pricing peanuts out of the market and you are denying a very essential food to the youngsters of America, and if it continues, obviously it will hurt the industry and the trade of those who built up the peanut industry from a half million acres back in 1909 and 1910 to where it is today, hovering around 3,500,000 or 4,000,000 acres.

Another significant thing has happened. During the wartime a provision crept into one of the acts in 1945 to the effect that the Commodity Credit Corporation, with its authority to take over and purchase peanuts, make loans, and do all necessary things, could not sell a single peanut below parity price, unless they were sold for oil, seed or export. Now, that is the law today. What you propose to do in the bill that is before us is to continue the discrimination that was written in wartime, and certainly should come out of our agriculture policy. It was Public Law No. 30, in the Seventy-ninth Congress, approved April 12, 1947. That suspended section 1 of the act of 1938, so that peanuts for oil, or other commodities, including peanuts, that might be used for export or seed or feed would not come within that restriction. So in proportion as they gear the price of oil, that is where peanuts go down, but not for the candy makers, not for the peanut-butter makers, not for the salters trade, not for edible users.

Now, on yesterday I belabored this oil matter. It costs 29 cents a pound to produce peanut oil. It costs 19 cents a pound to produce soybean oil. It costs 17 cents a pound to produce cottonseed oil. It costs 14 cents a pound to produce coconut oil. You notice the difference. If you are going to peg that oil at 17 cents, somebody has to pay the difference between what the Commodity Credit Corporation pays for the peanuts which it buys and the peanuts it sells to the oil expresser. That will be either the Federal Treasury or it will have to be taken out of the candy trade, the salters trade, or the peanut-butter trade. The Department informed me only yesterday that losses on peanuts for the present

year will run between three and four million.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. PACE. The gentleman would not want to leave the impression that the price of peanut oil was 17 cents, when it sold yesterday for 35 cents.

Mr. DIRKSEN. No.

Mr. PACE. That is the impression the gentleman left.

Mr. DIRKSEN. I am speaking of the base price of oil, with which peanut oil has to compete. Everybody knows it has to compete with cottonseed oil. When they sell peanuts at \$100 a ton less, or whatever the Commodity Credit Corporation wants to take, it is fair to impose that kind of a burden, that kind of an offset upon the users who built up the peanut industry in the country? As a result of that discrimination, as a result of that disparity, this market for peanuts is rapidly receding.

I have here some figures. The figures are dated May 20, 1948, and they show that in 1944 we used 313,000,000 pounds of peanuts for peanut butter; in 1945, 394,000,000 pounds; in 1947, it dropped back to 272,000,000 pounds, or a recession of 125,000,000 pounds for peanut butter. Why is it? Certain good mul-sified grades of peanut butter will cost 35, 38, or 40 cents a pound. But you can buy apple butter for 12 cents a pound. You can buy good jelly for 16 or 17 cents a pound. Obviously, at that rate, the peanut butter cannot compete with those cheaper spreads that are in the market today and little by little the growers' market disappears and the country is denied the food value of this crop. As a result the market for peanuts, the market which was built up by the people who plunged in and made this a very popular spread, is receding year by year.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. HAND. The gentleman made a statement yesterday afternoon that the candy bar had decreased in size and increased in cost because of this situation with respect to peanuts. Let me say to the gentleman that Great Britain, after all the lend-lease, all the UNRRA, all the British loan, and all the Marshall-plan help we have given her is the chief malefactor in this situation because she has a monopoly on cocoa and has raised the price of cocoa to 26 cents a pound. That is the reason for the high price of candy bars.

Mr. DIRKSEN. That is one reason for the high price of candy bars and candy; I admit that. Glucose, milk, and the cost of eggs have gone up, too. Since 1926 the cost of peanuts to the trade has gone up 221 percent. It is a notorious fact that the cost of cocoa has gone up and insofar as it may relate to chocolate bars that would be true; but may I point out to the gentleman that is a matter over which we do not have control in this Congress and it is a matter that is not pending in the present bill and I do not know any way of getting at it since it lies in the power of

a foreign government to remedy this condition. But shall we argue that because the price of one commodity that is controlled on the outside in some island where the cocoa bean is produced should prevent us from taking remedial action over something we can control?

Frankly, the amount of peanuts used in the peanut bars and peanut candy has progressively gone down; and I may say that even our distinguished friend from Georgia will admit the fact. Somebody said, "Well, you find only three peanuts in a Hershey bar or three or two peanuts in some other bar." Obviously with prices so high that is all you are going to find, and that is the reason I make the statement that peanuts are pricing themselves out of the market and a tremendous advantage is being given now to those candy-bar makers who have always popularized and emphasized the so-called soft-center bars.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. GAVIN. Would the gentleman give us the price per ton of peanuts, say in 1936 and 1937, and the price of peanut butter in those years compared to prices for the same commodities today?

Mr. DIRKSEN. I do not know whether I have those prices before me or not but I may say to the gentleman there is a tremendous disparity even between 1940 and 1947. In 1939 the peanut-butter makers paid 5½ cents a pound for peanuts. In 1947 they paid 15¾ cents.

One of the matters that was emphasized here is simply this: Why should we consider peanuts as a basic commodity and let the Secretary through this act mandate the trade of the industry and the country to keep them at 90 percent of parity? If it is a question of the size of the crop then why not mandate soybeans, a crop that returns upward of \$500,000,000? Why not mandate barley? The barley crop is around \$225,000,000. Why not include oats?

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FOAGE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Let me finish this; then I will yield.

So you see we go on the theory that this is a basic commodity, so we are going to mandate the Secretary of Agriculture to keep it at 90 percent. In proportion as we do so, of course, this market is going to recede progressively as it has done in the last few years and this is going to be denied to the youngsters of America. Can it not be on a basis comparable to other edible commodities? Why not peas, beans, turkeys, and all other Steagall commodities on which we

can go down to 60 percent? That is the answer.

Before I close I want to bear witness to the gentleman from Georgia, [Mr. PACE]. This is not new. He and I have considered this matter for years. He has been a perfect gentleman about it. He is a great legislator and he is a fine Christian gentleman. We have tried to find some basis that might be agreeable. He may say that the candy people were satisfied with what they got in the last discussions we had in his office. They are not satisfied. They have no choice except to be satisfied with what appears in the law today. It is like a man who is about to be hung and the governor has refused to commute his sentence. He might as well be content. The candy makers have to be content because the law is what it is.

In proportion as we give flexibility to the program under the Secretary of Agriculture to go down to 60 percent on peanuts, whether it be permissively or by mandate, we, of course, are going to bring peanuts back to the market. So that is the whole story. I hope this Congress will not make the mistake of mandating the Secretary of Agriculture from now until June of 1950 to insist upon a parity price of 90 percent on peanuts and lose this market progressively. You do not want to lose it any more than the candy makers want to relinquish it.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Texas.

Mr. POAGE. The gentleman is disturbed about losing the market on peanuts and suggested we were producing and selling less peanut butter now than 2 or 3 years ago. The price has gone up. Does the gentleman have the price of peanut butter for 1940 and the consumption per capita for 1940 or any of the prewar years?

Mr. DIRKSEN. I have the price of peanut butter here for 1940. I do not find the note on it at the moment.

Mr. POAGE. Any of those prewar years. I think the gentleman will undoubtedly find that during the time we had millions of men under arms the United States Government bought and shipped to those men millions of tons of peanut butter, which accounts for that extra consumption per capita during that period of time.

Mr. DIRKSEN. The gentleman makes an argument for the amendment that is now pending on the floor. That was an emergency, it was done in wartime; now, are you going to go along with the committee and perpetuate that kind of discrimination in peacetime? That is the question that is before us right now.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. PACE. Mr. Chairman, I rise in opposition to the pending amendment and ask unanimous consent to proceed for an additional 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PACE. Mr. Chairman, this is a rather important issue for hundreds of

thousands of people. I may say at the outset that the position of the gentleman from Illinois has somewhat changed overnight. He addressed us yesterday afternoon appealing to take peanuts out for the benefit of the candy manufacturers. This afternoon he tells us we should take them out for the benefit of the children. Certainly he and I will not have a dispute concerning the welfare of the children.

It has been suggested here that something special is being done for peanuts. That is not true. I would like to call your attention to the fact that there is no such thing in the law as a basic commodity. Peanuts is one of the six controlled crops. Cotton, corn, wheat, rice, tobacco, and peanuts are subject to marketing quotas. All of those are in the same family and they have always kept together. As soon as peanuts were put under control they immediately joined the controlled family and have been carried along with wheat, corn, tobacco, cotton, and rice.

Peanuts is getting to be a significant crop. May I say that, unfortunately, peanuts is one of the commodities that it has not been able to mechanize and we anticipate it will be some 10 to 15 years before we can. It is still mostly hand labor. When peanuts are matured, they have to be plowed up, picked up by hand, shaken, taken to a stack pole like a haystack pole, put on a stack and kept there for several weeks. Then you employ a picker to come and pay him as much as \$28 a ton to pick them for you.

Unfortunately we have not been able to increase the yield of peanuts. In 1910, 1911, 1912, and 1913 we were producing on the average about 800 pounds of peanuts to the acre. Last year the production was 667 pounds of peanuts to the acre. We have not had the advantage of the area served by the distinguished gentleman from Illinois of hybrid corn greatly increasing yields. We have not had the advantage of the mechanism which is enjoyed in the far west in the wheat areas. We have not had an opportunity in the way they have had to reduce our cost of production per unit. Of course, neither I nor the gentleman from Illinois suggest that we reduce the parity on corn or wheat, although from the production-cost angle there are many reasons why it would be more susceptible to other commodities rather than peanuts.

The appeals have been coming in, and everybody has received telegrams from various candy manufacturing companies. I would like to read one of those I received which is signed by the Curtis Candy Co. Listen to this. Maybe you have forgotten it. It says: "To save the confectionery industry." May I repeat that? "To save the confectionery industry vote 'yes' on peanut amendment." This is that amendment. They allege that they are just about to go out of business; they are just about to be ruined on account of a few little lowly peanuts. Let us look at the record.

I have before me the report of the Department of Commerce, March 8, 1948. Hear me now. Listen to it. March dollar sales of confectionery manufacturers

were 13 percent above March 1947, and 4 percent higher than in February, and in the first quarter of this year were 12 percent above the first quarter of 1947. Now listen to this. Sales in March as reported by 124 manufacturers were up 8 percent over March 1947, and dollar volume was up 21 percent.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I assume, though I have not seen those figures, that those are gross sales?

Mr. PACE. That is the confectionery industry which must be saved by reducing the price of the peanut 2, 3, and 4 cents. My friend does not merely mean to knock down the peanut farmer. By this amendment he means to stomp him to death, and I tell him now if he thinks he is saving the candy people by offering us a price under the cost of production, he is fooling himself. He will not get any peanuts at all. Who is going to ask the farmer to take his soil and deplete it and go out there and work in the sun and produce peanuts for nothing for this group? Listen to me now. These are the figures the staff of this committee secured on profits in the confectionery industry. I am not going to call any names, but if anybody wants to check they can come up here and check it. Now, these figures that I have are for 1945 and 1946. The staff advises us that the Security and Exchange Commission says that they are even greater in 1947. Listen to me. First company: In 1943, their profit was \$173,000; 1944, \$182,000; 1945, \$170,000; 1946, \$205,000.

Another company: In 1944 their profits were \$5,400,000. In 1945 their profits were \$4,800,000. In 1946 their profits were \$8,496,000. Talk about saving the confectionery industry for the benefit of the children, it looks to me as if they are asking that poor guy down yonder working in the hot sun 8 to 9 months a year to increase their profits further.

Another company: 1944, \$391,000; 1945, \$314,000; 1946, \$444,000 of profit. That is more money than all the peanut farmers of my home county made out of peanuts last year, and that is one company, if you please. Talk about saving the confectionery industry, I think the time has come when these people who talk so much about the spread between the farm and the consumer had better look into the confectionery industry.

Another company: In 1944 it made \$74,000; 1945, \$67,000; 1946, \$175,000.

I am going to read one more, but there are several others. In 1945 this company made \$914,000, and in 1946 it made \$2,420,000, yet they are asking you today to take peanuts out from under the protection of this section of the bill. You voted a few minutes ago to put chickens in at 90 percent support and you voted to put hogs in at 90 percent, and I supported it. You have wool in here at 90 percent. The gentleman from Illinois did not mention that. I supported that. You have eggs, and you have his wheat, and his soybeans en-

joying the 90-percent support price at this hour, but he comes here and is going to solve the entire farm problem by hopping on the peanuts, and yesterday he said do it in the name of the candy industry.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. PACE. Of course.

Mr. DIRKSEN. There will be an answer, I think, to the gross profits picture that is being presented here at the present time, but to keep the record straight, the gentleman from Illinois opposed the amendment offered by the committee to extend this 90-percent provision to even other commodities, to make it even more rigid.

Mr. PACE. Let us take a look at this thing. We have gone downtown and we have bought some candy bars. We knew they would be talked about. I want to show them to you for a minute. We have here Old Nick, we have here Powerhouse, we have here Baby Ruth, and we have here O Henry. We bought 2 bars of each. Very carefully we separated the candy and sugar and everything else from them, and we saved out the peanuts in each bar. I took them myself down to Dr. Calver's office and had his technicians weigh them. Here they are. Now, let us get this straight. These gentlemen are buying shelled goods, No. 1 peanuts, on the market quoted this week at about 17 cents a pound. That is 16 ounces for 17 cents. To make it easy, let us say it is 1 cent an ounce, although you remember there is a slight difference to add.

Mr. GAVIN. How much a ton?

Mr. PACE. The gentleman will have to multiply that himself.

Mr. GAVIN. It is \$340 a ton. Let us talk in terms of tons, and then we will get it straight.

Mr. PACE. Here are the peanuts from the Powerhouse. Look at them. He did not pay 17 cents for these because they are not No. 1. There are the peanuts from the Powerhouse.

Mr. BATES of Massachusetts. How many are there?

Mr. PACE. We weighed them, and they weighed 4 grams, which they tell me downstairs is approximately one-seventh of an ounce. If an ounce costs 1 cent, there is one-seventh of a cent's worth of peanuts in that candy bar. Why, you could cut the price in two and it would not make very much difference. It would not make any difference.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. DIRKSEN. Of course, that bears out the statement I made to the House that fewer and fewer peanuts are going into peanut bars.

Mr. PACE. No; it does not do any such thing. I will tell you what it does. The gentleman from Illinois told you that they are paying more for their cocoa. The sheet that they gave me shows cocoa has gone up 668 percent. They are paying more for their butter. They are paying more for the milk, and they are paying more for the sugar. They are paying more for their peanuts. What are they doing here this afternoon?

They are asking you to let the farmer take the whole load. They do not dare come here to do something to try to reduce the price of the butter they buy. On the contrary, the gentleman from Illinois sat in his seat this afternoon and did not raise his voice when you voted here to put the 90-percent mandatory price on butter and milk that these candy people who are sitting in the gallery have to buy, just like they have to buy the peanuts.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. DIRKSEN. There was a division vote on that amendment, and the gentleman from Illinois was one who stood on this side of the House in objection to that. But if the gentleman will yield further, I know that he wants to keep the record straight because these statements are being made in good faith. May I point out that glucose and milk and that sort of thing have gone up not to exceed 80 percent, while peanuts have gone up 221 percent.

Mr. PACE. But that depends on when you start. I admit that back in 1932 when wheat was selling for 25 cents a bushel, peanuts were selling at 2 cents a pound. There is no question about that.

Mr. DIRKSEN. Will the gentleman deny that these prices apply to the period from 1941 until the present?

Mr. PACE. I cannot check him on 1941.

Here is your O Henry bar. Here is your Baby Ruth bar, and this is your Old Nick candy bar. It happens that every one of them have exactly the same weight in peanuts. They have 10 grams. They told me downstairs that that is slightly less than one-third of an ounce.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. PACE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PACE. Mr. Chairman, the only difference between these candy bars is that one of the companies uses No. 1 peanuts, and the other two companies use broken ones, and peanuts that they buy for about 14, 15, or 16 cents a pound.

Now, if you please, we have been told here that we must take the peanut farmer, the farmer who grows the crop that depletes his soil the most, the farmer who is in the worst economic condition, we are told that we must cut his price 30 percent or 40 percent in order to augment the profits of the candy manufacturers. It brought to my mind a passage from the Good Book, which teaches us many lessons:

For unto everyone that hath shall be given, and he shall have abundance: but from him that hath not shall be taken away even that which he hath.

My friends, let me say to you, I do not know of any reason you voted to put eggs on the mandatory 90 percent list, and after you voted to put chickens on that list, and after you put cotton, corn, wheat, rice, and tobacco, and after you

rightfully voted to put hogs on the mandatory 90 percent list, why you should now exclude peanuts.

Is there any good reason in your mind to go down and take out this one commodity? There is a group here which came to Washington about 3 weeks ago, who have walked up and down the halls of our office buildings, and stood outside of these doors and have button-holed you Members and demanded that you save the confectionery industry by reducing the price of peanuts. My distinguished friend from Illinois says that we are pricing ourselves out of the market. Who do you think is most interested in the peanut market? He or I? Really and truly, who do you think? I must have somebody to buy our peanuts. I am interested in selling peanuts to these candy makers. The gentleman from Illinois will confirm this. They came to my office a month or 6 weeks ago with the gentleman from Illinois and they made me this proposition: They said, "Go ahead and pay the farmer 90 percent of parity for peanuts. That is all right. We do not object to it. He is entitled to it. But you get out a bill whereby the Commodity Credit Corporation can pay the farmer 90 percent and sell them back to us at 72 percent."

We made a little calculation and we figured it would have cost the United States Government \$50,000,000, and the gentleman from Illinois and I both agreed that no such thing could be done and no such thing should be done.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. PACE. Yes; of course I yield.

Mr. DIRKSEN. I do not know about that specific conversation, although I have had many conversations in the office of the gentleman from Georgia [Mr. PACE]. But if the candy people did make that kind of a proposition, what do you have to say about the oil people who, in a single year, got 162,000 tons of peanuts and, under existing law, as you would perpetuate it in this, can get it for any price that the Commodity Credit Corporation is willing to sell it to them for, while the candy people can get it only at 100 percent of parity.

Mr. PACE. I wish the gentleman from Illinois would get that oil business straight. He has not. It is not intentional. If the Government buys any peanuts and has to sell them; if the Government buys any wheat and has to sell it; if the Government buys any corn and has to sell it; or, if you please, if the Government buys any of the gentleman's soybeans and has to sell them, then under the law, act of April 12, 1945, the Government cannot sell any of these for less than the parity or comparable price except for new or byproduct uses, for export, for seed or feed, or peanuts for oil. Millions of bushels of wheat have been sold for feed, corn has been sold for byproducts, and peanuts have been sold for oil.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. POAGE. Mr. Chairman, I ask unanimous consent that the gentleman may have five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. POAGE]?

Mr. CRAWFORD. Mr. Chairman, reserving the right to object, I would like to know if others will be permitted to discuss this amendment, and, if so, to what extent?

The CHAIRMAN. The Chair is unable to answer that question.

Mr. CRAWFORD. I am afraid I will have to object, Mr. Chairman, because others want to discuss this. The gentleman from Georgia has had 20 minutes. The gentleman from Illinois had 15 minutes. What is the time limit, may I ask the Chairman?

Mr. HOPE. There is no time limit agreed upon, as far as this amendment is concerned. I think the subject has been pretty well discussed.

Mr. CRAWFORD. I will withdraw my reservation of objection, Mr. Chairman.

Mr. BUSBEY. Mr. Chairman, reserving the right to object, I would like to ask the Chairman of the Committee specifically if those of us who want to discuss this provision of the bill will at least be allowed to have our full 5 minutes, inasmuch as the gentleman has had an extra 5 minutes, and that we will not have to be cut off and have to take a minute and a quarter.

Mr. HOPE. Mr. Chairman, I wonder if we cannot agree upon time.

Mr. DIRKSEN. I hope the time of the gentleman from Georgia will not be cut off, because I regard him as one of the best-informed men on this subject in either branch of Congress. We are interested in getting the whole story to the membership.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. CRAWFORD. Mr. Chairman, further reserving the right to object, the gentleman from Illinois has made the statement which he just made. Where has the interest of the taxpayer and the bond buyers in this matter been discussed? I have heard all I care to hear about the oil and candy people, but who is putting up the subsidy on this matter? Let us have a little discussion of that. There are some taxpayers who are interested.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. CHURCH. Reserving the right to object, Mr. Chairman, the gentleman is always sincere, and I am anxious that he show that sincerity here. The gentleman has quoted thousands in profits. Then he mentioned some larger figures. He has not in any way quoted percentages. I do not believe the gentleman wishes to leave the impression here that these thousands—there are hundreds of thousands and millions of profits have not in part at least gone to people in his section of the country.

Mr. PACE. No, in no sense of the word.

Mr. CHURCH. Let me ask the gentleman, if there are these thousands of profits, and he does not mention percentages, why down in his country does

he not have companies that make these profits that he is trying to give us the impression other men have made?

Mr. PACE. We do have.

Mr. BATES of Massachusetts. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. The regular order is demanded.

Is there objection to the request that the gentleman from Georgia be recognized for five additional minutes?

Mr. HOPE. Mr. Chairman, reserving the right to object, let us see if we cannot have some understanding as to how much more time is going to be required. I count 17 Members standing.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. BUSBEY. Mr. Chairman, I object.

Mr. HOPE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 50 minutes.

Mr. BUSBEY. Mr. Chairman, I shall have to serve notice that in case this motion is agreed to I shall have to object to the additional 5 minutes for the gentleman from Georgia.

The CHAIRMAN. The question is on the motion.

The motion was agreed to.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia that he be permitted to proceed for 5 additional minutes?

Mr. HALLECK. Mr. Chairman, reserving the right to object to make a parliamentary inquiry, will this 5 minutes be deducted from the 50 minutes already fixed, or in addition there?

The CHAIRMAN. It will be in addition to the 50-minute limitation.

Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for five additional minutes.

Mr. PACE. Let us look at the oil picture a minute. Today the price of oil, not just peanut oil, if you please, but the price of practically all oils are up around 30 and 35 cents. At that price the Government can sell all its peanuts if it had any, all of its soy beans, and make a considerable profit.

I think it should be mentioned here, because the gentleman from Michigan asked about the taxpayers, that last year the Commodity Credit Corporation made three-quarters of a million dollars on the peanut program. That is to say, it took peanuts it brought in and sold them for crushing and made a profit. It now has on hand 1,000 tons of peanuts. It could sell those peanuts today at a profit, but the planting season is still on and it is holding back this thousand tons of peanuts in order to provide any producers who are without seed the seed they need. They will be offered for sale within another 2 or 3 weeks.

The law to which the gentleman refers provides that any commodity the

Commodity Credit Corporation procures must bring parity unless it is sold for the purposes I mentioned. Some of you remember—the gentleman from Illinois remembers—here some years ago we sold about 200,000,000 bushels of wheat for feed at a loss while the mills were paying the support price. We sold corn for byproduct purposes much cheaper than the support price. We sold other commodities at a loss. Why does the gentleman point his entire criticism at peanuts?

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Illinois.

Mr. DIRKSEN. The Department informed me yesterday afternoon that it anticipated the loss for 1948 would be between three and four million dollars on peanuts. In connection with feed wheat that was a critical emergency that lasted only for a little while. But here you propose to make this part of a permanent program and might extend it after 1950. I submit that is unfair.

Mr. PACE. Let us get that straight. I am not asking you to make this a permanent program and the committee is not. We are extending this 90 percent for 18 months until my committee gets back here in January and works out a future farm program. It is then contemplated that not only peanuts but cotton, corn, wheat, and practically everything else will be put into a flexible price support program. That is what is in the Aiken bill in the Senate now, involving supports from 60 to 90 percent for all commodities. If you want to put peanuts in that group treat them all alike. The only thing I complain to you about this afternoon is that my distinguished friend from Illinois picks one of the most lowly commodities, the peanut, and says, "I am going to solve the farm problem by taking peanuts out of the support position it has been in," while at the same time the overwhelming majority of the House—the gentleman said he objected—voted to put in hogs at 90 percent, chickens at 90 percent, eggs at 90 percent, butter at 90 percent and milk at 90 percent this afternoon. I think you acted wisely when you did that.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I certainly would not take unfair advantage by this question, and the gentleman does not have to answer it if he does not want to.

Mr. PACE. You ask any question you want.

Mr. DIRKSEN. When the committee deliberated on this matter it did strike peanuts out of the bill while it was still in the committee.

Mr. PACE. I will tell the gentleman about that. The committee did. Some wanted to get dairy products in. An amendment was offered to strike peanuts, which was adopted; then they turned around and offered another amendment immediately to add peanuts and dairy products, and that amendment was adopted. The gentleman has been given some very bad advice in that

connection. That happened to be the modus operandi of getting dairy products in, but it did not work on me because I thought dairy products should be in there all the time.

Mr. DIRKSEN. If the advice was bad, it came from a member of the committee.

Mr. PACE. There is no question about who did it, and I am sure he will be glad to tell you he did it. Peanuts were stricken, and peanuts and dairy products were immediately added.

I hope this amendment will be defeated by an overwhelming majority.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The Chair recognizes the gentleman from Illinois [Mr. BUSBEY].

(Mr. BUSBEY asked and was given permission to revise and extend his remarks.)

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Illinois.

Mr. DIRKSEN. It is, of course, easy to endeavor to not necessarily draw a herring across the trail, because I know that my friend from Georgia would not do it, but to indicate what gross profits of a company are without indicating what its capital investment is and the size of the company, one might very well say, "Look at the profits of the United States Steel Corporation." It has no bearing on it, but the fact is and the gentleman will agree that the number of peanuts in peanut candy is getting smaller year by year, and that the amount of peanuts used by candy manufacturers has dropped from substantially 67 percent to 32 percent, and those are the best figures I can get. So, if those figures are correct—and they were submitted to both Houses of Congress; certainly they were submitted in a long memorandum to me—there can be no question but what they are pricing themselves out of the market. The gentleman obviously should be concerned. We are all concerned, because after all this is a national pattern and a national problem. Now then, the gentleman belabored in part the oil picture, but the fact remains that the oil people can buy peanuts at whatever they can buy them for from the Commodity Credit Corporation, under the insertion provided in the law of 1945, and the oil can be used for food purposes. But you penalize the entire segment of the peanut industry, and if anybody can justify that on the ground of fairness, I would like to hear the argument.

Mr. BUSBEY. Mr. Chairman, this question goes into the real fundamental problem of subsidies. Sooner or later we will have to look this question of subsidies in the face and meet it squarely. Now, we come here talking about the free-enterprise system and those who talk most for the free-enterprise system are those who are getting on the floor of this House year after year asking for subsidies for this, for that, and subsidies for everything. Mr. Chairman, we have to come to the point, in the interest of the taxpayers of this country, to cut out

some of these subsidies and save some of this money. If you want to go back to the free-enterprise system, one of the best ways to start is to eliminate the New Deal program of subsidies.

I would like to ask the chairman of the Committee on Agriculture the gentleman from Kansas [Mr. HOPE] why is it not possible to have all commodities in this bill on a flexible basis instead of 90 percent of parity? I hope the chairman of the committee will answer that when he gets his time.

I shall vote against the bill because it is not economically sound and we had better start to think about the American taxpayers. Nevertheless the amendment offered by my colleague the gentleman from Illinois [Mr. DIRKSEN] is a good amendment and should be adopted.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Oklahoma [Mr. ALBERT].

(Mr. ALBERT asked and was given permission to revise and extend his remarks.)

Mr. ALBERT. Mr. Chairman, I rise to oppose this amendment. First of all, I want to join the distinguished gentleman from Georgia [Mr. PACE] in deploring the attempt of the confectionery lobby to have this Congress discriminate against one agricultural group, the peanut growers. Secondly, I want to state that during the war farmers in my district responded to our Government's call for the production of peanuts and other needed commodities. Now, why should peanut growers be discriminated against? To the candy manufacturers we can only say that they will get no peanuts at all unless the farmer who grows them can get some reasonable return for the long hours of labor he devotes to their production. This is fair legislation and the amendment to strike peanuts from the bill should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wish to ask the gentleman from Georgia [Mr. PACE] what is the present duty on shelled peanuts coming into the United States.

Mr. PACE. I understand it is 3 cents.

Mr. CRAWFORD. When was it reduced to 3 cents?

Mr. PACE. I cannot tell the gentleman.

Mr. CRAWFORD. The gentleman certainly ought to know, and I say this in all kindness, because he is the peanut expert of this Congress. Does the gentleman not know when it was reduced to 3 cents?

Mr. PACE. I do not have the date in mind; no.

Mr. CRAWFORD. The approximate date.

Mr. KERR. Mr. Chairman, if the gentleman will yield, I think the tariff duty is 2 cents on shelled and 6 cents on unshelled peanuts.

Mr. CRAWFORD. Now, there is a lot to this question, if we had time to debate it, but the way we have been treated here today is illustrative of what happens in

this House when you let someone or two persons use most all the time. Here is a duty of 6 cents per 100 pounds, and yet since 1934 the taxpayers of this country have put into the tax box, in order to cover the losses on this deal that is going on, \$26,256,000, with an estimated \$3,000,000 to be imposed on the taxpayer on the crop that is now going into the ground. That is a phase that the public is interested in. You have your tariff protection plus all the other.

Let us go a step further. If the acreage this year is very substantially increased, and I understand it is to be substantially increased, what is to be the cost of this proposition provided your oil markets break in the meantime? Just recently we had the fight here between oleo and butter. Two firms in the United States cornered the oil market, pushed the price up about 14 cents a pound, and the consumers of this country, who consume oil used in oleo, such as peanut oil, cottonseed oil, and so on down the line, pay the price. That is what the gentleman from Illinois [Mr. DIRKSEN] was referring to a while ago when he mentioned the relative increase in prices.

We do not have time to develop these issues. You will have to vote on this amendment uninformed, take your chances on whatever develops, and let the taxpayer take the rap.

Mr. COOLEY. Mr. Chairman, this amendment sounds like "peanut politics."

The lowly goober, which has contributed so much to the health and happiness of the world and at the present time means prosperity in certain of the agricultural sections of America, will be in foul shape, indeed, if the pending amendment is adopted.

Everybody everywhere wants peanuts. The vital life-giving qualities of the peanut are known throughout the world, but just look what is about to happen to this friend of mankind, the peanut.

The Republican Campaign Committee does not even want peanuts fed to the Republican elephant. In the June 1948 issue of the Republican News, a publication sponsored by the Republican National Committee, amazing statements are made and, in desperation, the Republican National Committee stoops to a new low. Here are a few quotations and excerpts from this Republican publication:

Don't delay, contribute today.

Don't throw peanuts to the elephant.

Don't count on winning by throwing peanuts to the elephant. The Republican Congress did more than provide a few peanuts for the harassed taxpayer.

We are not going to win this election by sitting around denouncing Democrats or Henry Wallace. We are going to win only by hard work and by liberal contributions. The stakes are too high to take any chance on not winning. If we do not win this year, we may not have another chance.

The Republican Campaign Committee "emphasizes the need for funds now to underwrite contracts in advance for campaign essentials; billboards, radio time and advertising. The funds are pledged solely for election of candidates."

Under the title "Don't Throw Peanuts to the Elephant," we find this language:

Take a look at the table below:

Many of our friends feel that, entirely apart from other important considerations, the least they can do to express their appreciation is to contribute a substantial part of their tax savings for this year to insure the reelection of the Congress which made this possible.

Savings of family of four under new tax plan

Net income	Present tax	New tax	Savings
\$2,500.....	\$95.00	\$16.60	\$78.40
\$5,000.....	589.00	431.60	157.40
\$10,000.....	1,862.00	1,360.96	501.04
\$15,000.....	*3,658.50	2,512.00	1,126.50
\$25,000.....	8,521.50	5,475.84	3,045.66
\$50,000.....	24,111.00	16,577.92	7,533.08

On last Thursday the gentleman from Wisconsin [Mr. KEEFE] referred to a situation in Tennessee which had come to his attention. Information had reached the gentleman from Wisconsin [Mr. KEEFE] to the effect that politics in Tennessee might be putting the squeeze on Government employees to force them to contribute a part of their salaries to political bosses. I know nothing about the situation in Tennessee other than what the gentleman from Wisconsin [Mr. KEEFE] had to say about it, but here, in words and figures we can all understand, are statements contained in a publication issued by the Republican campaign committee and sent through the United States mail.

This is a brazen, mean, low, and vicious attempt to blackmail and highjack the taxpayers of America. Yes; it is a frank and open confession on the part of the Republican campaign committee that the Republican Party is not so vitally interested in the welfare of the taxpayer as it is in the success of the Republican campaign in the elections of 1948.

Those who sponsored the Republican tax measure were openly accused of doing so for political purposes and to the end that Republican candidates might call for substantial campaign contributions from those who had received the benefits of tax reduction. The Republican campaign committee now confesses its guilt.

The implications in this method of raising campaign funds are broad in scope and involve moral turpitude in a great degree.

Why not call directly on the corporations which have been relieved of tax burdens? Why not blackmail and highjack them directly as you are attempting to do the individual taxpayer? The reason the Republican campaign committee has not advertised for contributions from corporations is due to the fact that such an act is in direct violation of Federal laws. The campaign committee is apparently conscious of this fact. I call your attention to the statement printed in the smallest type possible at the end of this advertisement in words as follows:

A political committee cannot accept contributions from corporations.

If this is the method to be employed by the Republican campaign committee, why not call for contributions from tax-

payors whom you might relieve in the future, or whom you might punish by the imposition of taxes in the event they fail to contribute?

Yes; this campaign is regarded by the Republican campaign committee as a race for heavy stakes, and the statements I have read clearly indicate that the party is not pitching its campaign on high principles or on worth while issues. No doubt this desperate appeal for contributions will be effective when received by tens of thousands of would-be office holders who hope that they will be taken on the Government pay roll if the Republicans win this fall. Certainly this is a solicitation for campaign contributions sent through the United States mail to Government employees in Washington and in all of the cities and counties of this country. This, the gentleman from Wisconsin [Mr. KEEFE] should be called to the attention of the Department of Justice and to the Federal Bureau of Investigation.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

(Mr. H. CARL ANDERSEN asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Chairman, parity to me does not simply mean parity for my hog or corn raisers in Minnesota. It means parity for each and every agricultural group in America, including the people who happen to produce peanuts down in Georgia. If I wanted to be vindictive at this time, I could get even for what you gentlemen of the South did to my butter industry by your oleo legislation and get up here and fight for this particular amendment. But I am not built that way. I think what is fair is fair, and I think if the people in Minnesota are entitled to a guaranty of 90 percent of parity on products we have in Minnesota, then you people down in Georgia are entitled to the same kind of treatment for your cotton and peanuts and so forth. As far as I am concerned, Mr. Chairman, I think this amendment ought to be beaten. I think it is more or less class legislation. We do not want to go on record here as a Congress to protect special interests at the expense of the farmers of the Nation.

May I compliment the great Committee on Agriculture for its fine work in this bill. Last January it was my privilege to introduce legislation of this nature and was very much pleased at its acceptance by the Banking and Currency Committee. It matters little as to how this legislation is passed—the main thing is, that it does become law. I again pay my respects to Mr. HOPE and his committee for their so well taking care of the interests of our farmers.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. KERR].

Mr. KERR. Mr. Chairman, when I heard that this amendment was going to be offered to try strike peanuts out of the bill, I immediately began to look around to see who was responsible for the high price of peanut products, and whether the farmer or some other proc-

essor was getting this money. Peanut legislation is a very interesting subject. I could discuss this subject at some length, because of my intimate knowledge of it. Not so many years ago, my district and four counties in Virginia grew all the peanuts that were grown in this country. The value of this crop at that time was about eight or nine million dollars. In the last 14 years, the value has increased greatly. Mr. Chairman, peanuts can now be grown in nearly every State in the Union. The crop of peanuts recently in this country brought nearly \$228,000,000. A few years ago it was only nine million.

I recently went around to find out what the candy makers were paying for peanuts, and what they were charging for products made out of peanuts to determine who was getting the large profits out of the peanut business. My visit was to the greatest peanut processor and candy manufacturer in the world who operates in nearly every city in the United States. I purchased a half pound of raw peanuts just as they were received from the farmer and they cost me 40 cents a pound. The farmer received only ten and a fraction of a cent per pound for this type of peanuts. Then I purchased a half pound of peanut bars, four-fifths of which bars were composed of peanuts, and I was charged 60 cents a pound for the peanut bars. These samples which I now have on the table before me are the ones I purchased. So, it is quite evident that the farmer is not getting an exorbitant price for the peanuts, but the manufacturer and processor whom the author of this amendment insists that he is trying to help is the one who is getting the exorbitant profits involved in this industry.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, despite the impassioned and able pleas of the gentleman from Georgia, the gentleman from North Carolina and the other peanut growers, buttressed by the arguments of our western agricultural Members who never looked a peanut in the face but who have a deep and continuing interest in keeping up the price of other products and who, I apprehend, will have the support of our southern brethren in that endeavor, I remain unconvinced. We in the consuming areas are simply caught in the middle between the upper millstone of western wool and wheat and the nether millstone of southern peanuts, tobacco, and cotton.

I commend the gentleman from Illinois for his peanut amendment, and expect to support it. I can find no justification in economics or in conscience for us to take legislative action which will raise the cost of peanuts at the ball park and candy bars at the corner store and at the same time impose a mandatory price support creating a potential liability for the taxpayers of several million dollars a year.

The consumers of this country, including the farmers in my neck of the woods, who are pretty substantial citizens, are getting tired of this back-scratching at their expense. We should concern our-

selves with action to lower, not to raise prices.

(Mr. KEATING asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMPSON].

(Mr. THOMPSON asked and was granted permission to revise and extend his remarks.)

Mr. THOMPSON. Mr. Chairman, the effort which has just been made to cut the price of peanuts is one of the most selfish I have ever seen. It is merely a repetition of the spirit of: "To hell with you; I've got mine."

We hear a great outcry about maintaining the price of the 5-cent candy bar. I wonder if the proponents of the amendment would care to propose to bring this about not only by penalizing the farmer but also by reducing the price of the labor which goes into the production: the milk, the chocolate, the sugar and all of the other different ingredients.

Such a proposal is just as reasonable as to ask that the farmer bear the entire burden of price reduction. If the amendment should carry, you are opening the way to similar treatment of tobacco, of rice, and ultimately of the whole structure by which the American farmer can be assured of a reasonable price for his produce and you are leading the way to a condition with which those of us who remember the early thirties are all too familiar.

The basis of the parity price on peanuts is no different from that used on other commodities, and there is no reason for you to take this position in connection with peanuts except that they are a relatively small crop and the proponents of the amendment think they can get away with it.

I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. HOEVEN].

(Mr. HOEVEN asked and was granted permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Chairman, I want to emphasize the fact that this is only temporary legislation. The so-called Steagall amendment will expire on December 31, 1948, and in view of the adjournment of Congress next week, it is therefore absolutely necessary that price supports be continued at this time.

I am quite sure you all know that the Committee on Agriculture since October of last year has been working on a long-range farm program. Extensive hearings have been held in Washington and 11 regional hearings have been held throughout the United States. I am one of those who has been insisting that we adopt a long-range farm program at this session of Congress. However, it now appears that time is running out and the least we can do for the farmers of America is to extend the provisions of the Steagall amendment to June 30, 1950, in accordance with the provisions of H. R. 6248. This bill has been carefully considered by the Committee on Agriculture and has the unanimous approval of the committee. The commit-

tee amendments to the bill also have the united support of the committee, and in my judgment, we are offering the best possible legislation which can be enacted at this session of Congress under all of the circumstances involved. No Member of Congress except those who represent the agricultural districts of the country can tell you of the psychological effect this legislation will have upon the farmers of America. It is true that agriculture is prosperous at the present time but that has not always been the case. Much too long in years gone by our farmers have fed the people of this Nation and large portions of the world at a loss to themselves. In fact, during all the years of the depression while farmers were compelled to liquidate their resources and their lands sold from under them at public auction, they continued to produce the food. No segment of our economy did more to help win the recent war than the farmers of America. With the shortage of manpower and farm machinery and with the cost of materials and supplies skyrocketing, they went forward from sunrise to sunset planting and gathering the harvests so that our boys on the fighting fronts and the people at home might have the food they had to have.

We are still living in uncertain times. There is unrest throughout the world and no one can predict from day to day whether or not this great Nation can continue to furnish the food and fiber not only for our people at home but for the starving millions abroad. The farmer is entirely dependent upon the elements and the blessings of Divine Providence for the production of his food crops. Contrary to the belief of many people, food in the broad sense does not grow on trees.

It is absolutely necessary to the welfare of this country that we have a prosperous agriculture. Everyone knows that agriculture is the Nation's basic industry. The production of food is in a little different category. Mankind can get along without many material things but it is absolutely essential that he have food and drink, clothing, and shelter. The whole problem of producing food then is one in which the Federal Government has an interest and in which it must take a part. There must be some guarantee that this necessity of life be produced in abundance. Although prices of food products are high at the present time, we must not forget that by the same token the type of legislation we are now considering is most surely a guarantee that the consumers of the country will get the food they need. It is much better to make hay while the sun shines and to give the farmers the assurance that they will not have to produce and sell their products at a loss. If the farmer of America is given that assurance, I am confident he will continue to produce the food and fiber not only for the millions of our own population but also for a large portion of the world.

H. R. 6248 has my unqualified support. I sincerely trust the bill will be passed in the form recommended by the Committee on Agriculture. I think I can assure you that the Committee on Agri-

culture will give full consideration to all matters dealing with this entire price-support problem when it reports a long-range farm bill early next year.

(Mr. COOLEY asked and was granted permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. BROWN].

(Mr. BROWN of Georgia asked and was granted permission to revise and extend his remarks.)

Mr. BROWN of Georgia. Mr. Chairman, the purpose of this bill, H. R. 6248, is to continue stabilizing the prices of agricultural commodities and to carry out the price-support program in practically the same form as at the present time.

The Banking and Currency Committee reported out a bill a few weeks ago to provide a permanent Federal charter for the Commodity Credit Corporation and to carry out the support program in the exact form that it is today.

While I think it is advisable to continue the support program in its present form for the next 2 years, I shall support the pending bill because it is late in the session and it is very essential that we extend this support program before the end of the session.

Congress has enacted many basic agricultural laws which constitute the framework of a national farm program. Among these laws are the Agricultural Adjustment Act of 1938 which provides for mandatory commodity loans on basic commodities; the Bankhead Commodity Loan Act enacted in 1941 and the Steagall Price Support Act of 1941 which were later amended so as to provide commodity loans on basic agricultural commodities at 90 and 92½ percent of parity prices and providing price supports on nonbasic commodities at not less than 90 percent of parity for all of these commodities on which the Secretary requested increased production during the war period. Comparable price supports for other nonbasic commodities also were to be provided as far as practicable. Other requirements and restrictions with respect to loans, purchases, and sales of commodities in connection with price-support operations are also contained in various other statutes enacted by Congress from time to time.

The Commodity Credit Corporation is the cornerstone on which the national farm program rests. It is the agency through which price support and stabilization policies are effectuated. The provisions for mandatory commodity loans for basic agricultural commodities and the provisions for the support of farm prices of nonbasic commodities by loans, purchases, and other operations under the Steagall Act and other acts all depend upon the existence and use of the Commodity Credit Corporation with adequate powers and lending authority. The provisions of existing law for the maintenance of an ever-normal granary through storage of farm surpluses in times of oversupply for use in times of scarcity, are made possible through the use of the Commodity Credit Corporation. This is vitally important to the

consumers of the Nation as well as to farmers.

The consuming public has a vital stake in maintaining the price-support functions and ever-normal granary features of the national farm program. The farm price-support program encouraged farmers to produce at record high levels all during the war and since the war.

Without this protection, it is unlikely that we could have achieved these record levels of food production so essential to the winning of the war and the saving of the peace. Even today, food produced by American farmers under the price-support program is playing a crucial role in helping save the peace won at such a fearful cost of human sacrifice and helping Italy, France, and other war-devastated countries to ward off the menacing threat of communism. Shipload after shipload of food for hungry people constitute far more potent evidence of our good will in aiding Europe to get back on her feet than the empty, deceitful promises so glibly given by the emissaries of communism. It should never be forgotten, however, that America has been able to do this because farmers were able to produce at record levels. This they have continued to do despite shortages of machinery, shortages of fertilizer, shortages of farm labor. They did this only by toiling early and late and by risking their capital as well as their labor to produce abnormally large supplies that in normal times would probably wreck farm prices. They did this with confidence because of the protection given them through the price-support program of the Bankhead Commodity Loan Act and the Steagall Price Support Act which assured them that the Government would support farm prices at not less than 90 percent of parity not only during the war years but for 2 years after the end of the war emergency.

It was not enough to give assurance of price support protection during the war years. It was equally important to assure farmers against a collapse in farm prices when the war closed. Farmers have not forgotten what happened after World War I. During the war in response to the appeals of our Government that "Food will win the war," farmers greatly expanded their production. Then when the war ended and wartime requirements declined and export outlets dried up, surpluses accumulated, and the bottom dropped out of farm prices, hundreds of thousands of farmers lost their life savings and their farms and went through bankruptcy. For 20 years thereafter, farm prices were at a disparity with industrial prices and wages, and it is only in recent years that farmers have recovered from the terrible disaster that fell upon them after World War I.

It was providential that Congress enacted in early 1941 these basic laws for the support of farm prices during and after the war. That was just a few months before Pearl Harbor. When that terrible blow struck, the farmers were ready to do their part and they did a mighty job which played an important part in the ultimate victory.

It was an intense fight, however, to get this legislation enacted. The Government then was supporting prices at much lower levels and there was much complaint among farmers over Government price-support policies. Mr. Edward A. O'Neal, then president of the American Farm Bureau Federation, and several other leaders of that organization, appeared before the House Banking and Currency Committee and urged the enactment of legislation which later became the Steagall Act.

This legislation served as the pattern and framework for the Government's entire price-support program during the war years and since.

In an over-all picture, the price program has not cost the Government anything, as on many commodities it made money, especially on cotton. A price-support program is one upon which the farmers everywhere are united. They realize the vital necessity for continuing the price-support program in order to encourage sufficient production to feed and clothe the people. The consumers in the cities want to be assured that there will be plenty of food and fiber, and unless farmers are encouraged to produce same everyone realizes small production would mean high prices for the consumer. Therefore, I am sure when the Members from the city districts realize this they will not hesitate to join us in voting for this measure.

The Under Secretary of Agriculture, Mr. Dodd, pointed out before the Banking and Currency Committee some time ago the way in which the support program had stabilized the price of corn. In 1932 the market price of No. 3 yellow corn at Chicago averaged 44 percent of parity, but in 1933, the first year the loan program was in effect, the market price of No. 3 yellow corn at Chicago averaged 68 percent of parity. During the 10-year period from 1923 to 1932 the market price of corn averaged 74 percent of parity. But during the years that loans have been offered—1933 through 1947—the market price has averaged 107 percent of parity.

The Corporation built up some heavy stocks of grain during the years it was supporting prices. On October 1, 1941, for example, the carry-over of corn was 645,000,000 bushels. But how glad we were, later, to have that corn and other grain. That grain enabled us to produce the meat and milk and eggs we needed to fight a war.

Cotton offers a splendid example of the manner in which the price support program both stabilizes prices and facilitates orderly distribution. The Corporation acquired a lot of cotton under its price support operations in the 1930's. In 1938, the carry-over was more than 13,000,000 bales, most of which ultimately got into the Corporation's inventory. This big supply, equivalent to an average year production, eventually was moved into consumption. The Corporation thus supported prices of cotton and still was able to provide cotton to trade channels when needed.

Mr. Chairman, American agriculture is relatively prosperous now. In March

1948, farm prices of wheat average \$2.21 per bushel; corn, \$2.11 per bushel; hogs, \$21.80 per hundredweight; and beef cattle, \$20.70 per hundredweight. But agriculture has not always been prosperous. In March 1933—a few months before the Commodity Credit Corporation became an agency of the Government—prices of wheat averaged 35 cents per bushel; corn, 21 cents per bushel; hogs, \$3.21 per hundredweight; and beef cattle, \$3.57 per hundredweight. Do any of us know what prices will average in March 1949, or 1950, or 1951?

These are troubled times. The House right now is concerned with matters of grave international significance—endeavoring to get ready for what may come. Is it not just as important, in the agricultural field, to get ready for what may come—surpluses, low prices, droughts, floods?

I am convinced that our farmers, our consumers, our Nation if you please, can face the future more confidently if farmers are assured a fair price for their products.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Chairman, I am opposed to this bill in its present form. I am supporting the Dirksen amendment. I would like to have the attention of the gentleman from Georgia [Mr. PACE]. The gentleman quoted the Bible, and he also talked about profits. He talked about a few thousand dollars as profits, but did not mention the capital invested nor the profits percentage-wise. He has been asked by me and by the gentleman from Illinois [Mr. DIRKSEN] what were the percentages of profit. The gentleman should not convey the idea that there were great profits in the candy-making industry. What I am interested in is that those companies make enough profit on the capital they have invested in the industry to be able to put more peanuts into their candy for the kiddies of this country.

The gentleman has not answered the question of profits.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I yield for an answer to our question.

Mr. PACE. I regret I do not have the figures by percentages. The purpose for which I quoted figures was to meet the charge that you are trying to save the peanut industry, that it was going down. I was trying to show that it was going up.

Mr. CHURCH. I was interested in bringing out the percentage of profits because I know that some of the companies in my State are having a struggle to keep going and make profits upon their investment. The gentleman is not informed with reference to the real profits—of these companies and furnishes no figures on that.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I yield.

Mr. DIRKSEN. The question has been raised as to why there were five basic commodities when we started in 1933. We included cotton, corn, wheat, rice, and tobacco because they were in

surpluses. Those were our exportable commodities. For the most part they were the ones that were in difficulty. Peanuts came along a good many years later. The fact that they happen to be a storable commodity is not taken into consideration by the gentleman. What about Michigan beets or dried beans or what about soy beans from the gentleman's own region? What about a good many other things that could be included. Just where do we stop on this thing? We are going to have to stop somewhere. There is no common sense, in my judgment, in perpetuating this condition. I think it ought to stop now because if it is included here obviously it is going to be used as leverage for including it in the long-range program sometime after 1950.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I hope the membership will support the Dirksen amendment. Now, if the gentleman from Georgia has an answer to the question I will yield to him. Does he have an answer?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Virginia [Mr. HARDY] for 2½ minutes.

Mr. HARDY. Mr. Chairman, I would like to call the attention of the committee to the fact that the price producers receive for peanuts is practically identical with the support price. That has been demonstrated throughout the entire period that support prices have been in operation.

If we pass this amendment the prices received by farmers for their peanuts will be cut by one-third. The net effect would be to reduce the income of peanut producers by one-third. This would mean that prices for farmers' stock peanuts would be below the cost of production. Now, I am sure the Members of the House would not want their action here to have the effect of fixing the price of any farm commodity at a figure below production cost. This would simply mean that peanut farmers would have to shift to some other crop.

I have listened to the discussion with a great deal of interest. The gentleman from Illinois [Mr. DIRKSEN] has made an impassioned plea, and I know of his sincerity and his interest in the candy manufacturers. Producers themselves have an interest in the welfare of the confectionery industry. The problem of peanut prices is one of mutual interest, because in the long run the confectioners must depend upon peanut producers for their supplies of this important candy ingredient, and peanut producers must depend upon the confectioners for a market for much of their production. Looking at the matter from a long-time viewpoint, it is, therefore, in the interest of peanut producers that the prices of their commodity are at a level which will permit of maximum utilization by their customers. Likewise, the public interest and the confectioners' interest will be served best if farmers' prices are fair and at a level which will assure adequate production.

I have heard arguments today concerning the need for flexibility in the range at which prices are supported, and I recognize merit in much that has been said on this point. However, it would be utterly foolish for us to attempt to deal with this proposition on the House floor. This is a subject which requires committee study and deliberation.

The bill we are considering is merely a short-time measure and is not intended as permanent legislation. The committee has indicated its intention of submitting to the Congress a long-range program next year. The Members of the House have no basis for knowing whether the 60-percent level proposed by the amendment is a proper point at which this proposed flexibility should begin. To pass this amendment would be unwise and might do irreparable harm, both to peanut producers and to the manufacturers of products containing peanuts.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I shall be pleased to.

Mr. COX. The Committee on Agriculture is made up of friends of all of the farm commodities. That committee has unanimously agreed upon the pending bill. The program agreed upon, it would seem to me, ought not to be torn apart by the adoption of the pending amendment.

Mr. HARDY. I thank the gentleman.

Mr. HARRISON. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield.

Mr. HARRISON. Mr. Chairman, I ask unanimous consent to extend my remarks at the conclusion of the remarks of the gentleman from Virginia.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARDY. Let us vote down this amendment.

(Mr. HARDY asked and was given permission to revise and extend his remarks.)

[Mr. HARRISON addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GROSS] for 2½ minutes.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, it is true that a commodity can be priced off the market, and peanuts are priced off the market right now. As evidence of that fact I have an editorial here telling about a case in Boston where apples were priced off the market. There was a firm up in Boston that made a business of selling apples prepared for pies at 14 cents a pound. Pies were selling at 20 cents per cut. The public was crying out against it. Finally, they reduced the apples prepared for pies to 10 cents a pound and sold the cuts at 15 cents. One restaurant sold a thousand pies a day more within 2 weeks' time.

This just goes to show that things can be priced off the market, and this support-price program is doing it in some instances. I am thinking of peanuts, apples, and potatoes. Tobacco and cotton will follow.

Mr. Chairman, I hold in my hand a letter from Lummis & Co., of Philadelphia, a quotation from which will show you how silly the Commodity Credit Corporation's handling this peanut business is. The letter states:

We hold several million dollars worth of peanuts which we have purchased to take care of our customers. The Commodity Credit stands ready to buy these back if we see fit to sell them.

If this parity is to be revised, we would like to know it, as it would be important that we should sell back a good part of our holdings to Commodity Credit within the next few weeks, for if peanuts are to be supported at lower prices and this new basis would be announced July 15, 1948, we would suffer a heavy financial loss.

So you see the taxpayer is to be the goat.

When the Government sets itself up in business where it comes in and buys a commodity, then sells it and guarantees that if the purchasers have to take any chance or risk the Government will make it up, that is a deplorable state of affairs. We should take into consideration the taxpayer, the man who pays the subsidies. As it stands today, the taxpayer is paying one subsidy to keep peanut prices up and encourage farmers to grow more, while paying another subsidy to keep the industry going. It is destroying prices all around.

Let me tell you something to show that these peanut growers are not faring too badly. We made a trip down in the peanut country and drove around 400 miles. It was Saturday. They told us they would not work on Saturday, yet they complain of a shortage of help, equipment, bad weather, and so forth. They refuse to follow good soil practice in order to maintain their soil fertility by maintaining the humus in their soil. They tell us that if the Government wants to keep us going, they have to supply the goods. It just does not add up. They are so prosperous they just do not care a whit—depending entirely on the Government.

Mr. Chairman, to save the peanut industry, to save the peanut farmers, the Dirksen amendment should be agreed to. The same argument could be applied to the tobacco farmers. You fellows are all just digging a ditch for yourselves. The taxpayers, the Treasury, the consumer, and the country as a whole must be taken into consideration. Prices for commodities must be made in the market place if we want to maintain free enterprise, and not here in Washington by the Secretary of Agriculture.

Mr. Chairman, I include an article entitled "Peanut Trouble," appearing in the Washington News. I had this verified by the Department of Agriculture.

PEANUT TROUBLE

One thing leads to another, and now the peanut-products industry is in trouble and wanting the Federal taxpayers to come to its rescue.

Peanuts are among the farm products which the Government supports at 90 percent of parity. The Government buys enough peanuts from growers to keep the law of supply and demand from forcing prices below that level. It paid \$172 a ton last year, is paying about \$200 now, and the support price is expected to raise to \$216 by July.

That arrangement is fine for the peanut growers, who are expanding production. But makers of peanut products complain that high prices are ruining them. Housewives are buying jams and jellies—their prices not being Government supported—instead of peanut butter.

What to do? The peanut-products industry could be helped, and the taxpayers would save some money, if the Government support price were lowered. But industry spokesmen, certain that nothing of that sort will be done in an election year, aren't proposing such action. Instead, they plan to ask for a Government subsidy to consumers of their products.

The Government would pay part of everybody's bill for peanut butter, salted peanuts, peanut candy, etc.

So the taxpayers, now paying one subsidy to keep peanut prices up and encourage farmers to grow more peanuts, would pay another subsidy to save the industry that uses peanuts from being destroyed by high prices.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia, [Mr. ABBITT].

Mr. ABBITT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois, whereby peanuts are stricken from the bill under consideration as one of the basic commodities. I desire to further state that I wholeheartedly support the bill under consideration and wish at this time to express my appreciation to the Committee on Agriculture for the painstaking work and thorough investigation they have made in an effort to be of real help to the agricultural interests of this country.

There seems to be a misunderstanding by some of the Members of this body as to the actual purposes and effect of the bill. I wish that more of the Members could have heard the very fine explanation of this bill by the gentleman from Virginia [Mr. FLANNAGAN] who gave a most comprehensive statement regarding it. This is nothing more or less than a price-support program. Its whole purpose is to put farmers on a level with other segments of our society. The object is to give the farmers the same purchasing power as the dollars of others, such as the laborer and industrialist. It is extremely important to the economy of our country that farm income be maintained in line with the income of the various other groups.

The parity concept and price-support program has been tried, tested, and found to work well. This bill seeks to taper off wartime price support and fill the gap until a comprehensive long-range program can be worked out. It merely extends an existing program until June 30, 1950. We cannot permit farm prices to sink to a disastrously low level. It is imperative and necessary for the well-being of this country that we prevent a farm depression. Our economy cannot move forward unless agri-

culture is assured of its fair share of the national income.

Beginning with the 1937 crop of peanuts there has been either a loan or purchase program on each crop. These programs were designed for, and have been successful in removing surpluses, providing markets, promoting orderly marketing, stabilizing prices to producers and handlers, and increasing consumption. Peanuts acquired under these programs were held until the supply and demand factors could be more nearly determined, thus assuring constant supplies of peanuts at reasonable prices and resulting in the use of greatly increased quantities for edible purposes.

It is estimated that for each dollar spent on these programs the income of farmers was increased approximately \$5. In 1937 there were 616,378 tons of peanuts produced in the United States.

During the emergency, the farmers all over the country were urged, and as a matter of fact it was almost demanded by the administration, to increase in every way possible the production of agricultural products, including peanuts. A magnificent job was done, never equalled before in our history, by the farmers of our land. In the face of acute labor shortage, a dire lack of machinery, unavailability of the proper fertilizer, impossibility of securing new equipment and working under severe strain, the farmers rallied to the call of their country, raising and producing more foodstuff than ever before in our history. As stated above, this was done under the most trying handicap and in the face of almost insurmountable obstacles. As a result of this activity, all of which was at the urgent request of our Government, the peanut farmers greatly increased and enlarged the acreage production and poundage of peanuts. The peanut acreage in the United States has been doubled since 1940 as a result of the above set-out expansion of production in connection with the war effort, resulting in approximately 300,000 tons in excess of present or foreseeable edible requirements. This 300,000 tons of excess peanuts, which represents about one-third of the present production, must necessarily be used for crushing into oil. The value of peanuts for this purpose, normally, is not such as to afford the farmer a return sufficient to pay the cost of production. During the emergency the greater part of the increased production was required for edible purposes. The balance was crushed for critically needed oil at a loss. There were no surpluses.

It is anticipated that many farmers will reduce their acreage because of labor shortages or to conserve the fertility of soils overworked during the war, while others, who have increased their production facilities at the Government's wartime request, will find it difficult to make any immediate adjustment. It is therefore imperative to support the price of peanuts of the present crop at a level, which, while lower than wartime levels, will provide farmers who produce peanuts with an assured return. The present bill is of a temporary nature, and no change should be made therein to reduce

the support, as a long-range farm program bill has been promised by the Agriculture Committee for consideration at the next session of Congress. This bill, I understand, will provide for the continuation, on a modified basis, of price support until June 30, 1950. These programs have proven to be invaluable in obtaining production of agricultural commodities.

The recent world-wide emergency and the embarking of this country on a program to help rehabilitate the western countries of Europe have completely changed the agricultural outlook. It now develops that it is vitally necessary that our farmers continue an all-out production of agricultural products in an effort to help win the peace. It is impossible to obtain satisfactory results, so far as the peanut industry is concerned, unless this present program is kept alive. The program will automatically die December 31, 1948, unless this bill passes with peanuts included therein. Due to the above emergency and program, agricultural production has been kept far above prewar levels and as a consequence farmers have not had an opportunity, as was contemplated, to adjust their acreage because of the urgent need for their products. It is impossible to tell at this time just what will be the need or call upon the American farm interests to carry out the European recovery program. In view of all this, it would be most unwise not to carry through the proposed support price as provided in this bill, without any amendment, which would be a carry-over until Congress shall have ample opportunity to pass on a long-range measure. I, therefore, urge that the support price for peanuts, by all means, be kept in the bill.

(Mr. ABBITT asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, I would like to call the attention of the House to the fact that the Commodity Credit Corporation testified before our Subcommittee on Appropriations for Agriculture that last year it made a profit of \$30,000,000 in relation to all of their operations having to do with price support.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GAVIN].

(Mr. GAVIN asked and was given permission to revise and extend his remarks.)

Mr. GAVIN. Mr. Chairman, it has been a very, very interesting debate that has taken place here today and I am particularly gratified to see how well the Members of the House are representing all of the American people. I have not heard one word in defense of the consumer, the taxpayer, the American housewife or the service man who are going to pay the cost of this bill.

We hear on every hand about the high cost of living and every one here is seemingly trying to develop a legislative program to keep up the high cost of living

rather than to conceive and devise legislation that will bring down the high cost of living. In my estimation this whole program ought to be wiped out.

It is about time that we get back to the fundamental way of doing business in America where supply and demand creates the prices. It is about time that we try to think about how we can bring down the high cost of living rather than passing legislation that will keep up the high cost of living. It is about time that we think of the boys who made sacrifices and are now back home trying to raise a family and make a living, the American housewives, the taxpayers and all the rest of them all who are paying the bills. All of you know that subsidy payments, parity payments, the Commodity Credit Corporation, and all the rest of this bureaucratic legislation will bring about an increase in the cost of living rather than bringing down the cost of living. I wonder if we should not conscientiously think this thing through; the type of legislation we are enacting here today. Think of the people who pay the bills. Just think what you can do here with your vote today to bring down the cost of living. Have the courage of your sincere and honest convictions and vote as you would vote, not from the standpoint of political expediency and what it is going to mean to you in the coming election. I feel with certainty that if each and every one of you will weigh carefully this legislation that you will vote it out of existence, and if you do it will be a contribution to our American way of life and help reduce the high cost of living.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE] to close debate on this amendment.

Mr. HOPE. Mr. Chairman, it seems to me the ground has been pretty well covered. I think perhaps at this time, however, since the question has been raised as to the possible loss that might be sustained by the Commodity Credit Corporation if we go ahead with this legislation, that this would be a proper place to insert in the RECORD information as to the profits and losses which have resulted from the operations of the Commodity Credit Corporation up to date. I am going to ask unanimous consent later to extend my remarks and include a statement on that subject. I simply want to say at this time that the Commodity Credit Corporation up through April 30, 1948, showed a net gain from its price-support operations throughout the years of \$52,400,000. As far as this particular amendment is concerned, in my opinion, it would be a gross discrimination against this commodity if the amendment were adopted and peanuts placed on a different basis than the other five commodities which heretofore have been considered and treated in the same way as peanuts. As has been said, the Committee on Agriculture is getting ready to bring out a long-range program next year. At that time certainly consideration will be given to the category in which all of the important agricultural commodities should be placed. Consideration will be given then to whether or not we should

have a flexible price-support program on the various commodities. But, that is not under consideration at this time. This is not the time or the place to consider changing the status of these commodities which have been grouped together during all of these years. This great amount of agitation on the subject might sound like there was a great demand for legislation, but as a matter of fact it comes only from a certain group of candy manufacturers who, as the gentleman from Georgia has shown, are making ample profits. There is no point to be made today out of the issue of saving the candy manufacturers. They are taking pretty good care of themselves now.

The CHAIRMAN. The time of the gentleman from Kansas has expired. All time has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 43, noes 140.

So the amendment was rejected.

Mr. COLMER. Mr. Chairman, I am wholeheartedly in accord with the objectives of this bill. I am now, and have been since the inception of this program, one of its most loyal supporters. In my opinion it is one of the most constructive and most helpful things that has been done for agriculture in these United States. I have no time for the line of argument advanced here on this floor that the farmer has been preferred over the industrial worker and other classes of our people as the result of this program. On the contrary, the whole purpose of the support price set-up has been to place the farmer on something near an equal footing with the man who works in the factory and the mill, to give him something approaching an equal return for his labor to that received by the worker and the producer of other commodities.

However, I want to call the attention of this House to one agricultural product that is not, but should be, included in this program. I refer to the agricultural product of tung oil. For the information of the Members of the House I should like to point out that tung is produced in this country in the limited area along the gulf coastal plains of this great country. It originally is a Chinese product. The word tung comes from the heart-shaped foliage of the tung tree. Tung, in Chinese, means heart. It is a semitropical tree and will grow only along the coastal plains of those States bordering on the Gulf, to-wit: Florida, Alabama, Mississippi, Louisiana, and Texas. From the nut produced by the tree comes the tung oil. Tung oil is used in the production of paints and varnishes and is the best water-proofing, or water-resistant known. It is used extensively in water-proofing our electrical equipment. It is also the best drying oil known. It is an absolute essential to and is used extensively by the Navy.

Prior to World War I there was no tung produced in the United States. Because of the difficulty of obtaining

this strategic material during that war the industry was encouraged by the Government in this country, and notwithstanding the fact that the industry has grown in that section since its beginning at that time, the armed services found it very difficult to meet their demands during World War II, due to the fact that our imports from China were almost totally cut off because of the Japanese conflict. In fact, in spite of the growth of this industry, we are now importing approximately 80 percent of our tung oil from China. It does not require any exceptional wisdom to see what would happen if we should get into a war with Russia in the next few years. It is a matter of common knowledge that Russia has its eyes on China and if a real shooting war should start it is obvious that our supply of this strategic material would again be cut off.

For the past 5 or 6 years I have endeavored in every way I could think of, and have exercised myself considerably, in trying to emphasize to our various governmental bureaucracies the necessity for governmental encouragement of this infant industry upon two grounds; first, that it is a strategic material needed for the national defense, and second, that it offers a new cash crop for the people of this section, as well as an opportunity for diversification in agriculture in this section, which has been so strongly advocated by the Department of Agriculture.

One of the chief problems of this pioneering industry is the fact that the Chinese product comes into this country on the free list. Chinese oil is produced with Chinese labor, the cheapest labor in the world, and although the methods of production are very crude, and uneconomical, resulting in an inferior product to the American oil, it is difficult for this infant industry to compete with the Chinese oil. There should be a duty imposed on the Chinese product, at least until this industry could develop to the point that it could compete with the Chinese oil. The yield per acre as the result of experimentation is constantly increasing and we have reason to believe that in a few years more the industry could and would be able to compete with the Chinese oil without the necessity of a tariff or other governmental assistance. To that end several months ago I introduced a bill, H. R. 5350, which provides for the removal of tung oil from paragraph 1732 of the free list of the Tariff Act of 1930, and its inclusion under paragraph 54, imposing a duty of 5 cents per pound on the imported product.

Unfortunately for this industry and the national defense, the powers that be have taken the position that such a law would run counter to the Government's foreign trade policy generally. They take the position that it is necessary in the effort to help China obtain American dollars that this product be permitted to enter duty-free; therefore, there appears to be no immediate relief from this angle.

But, realizing the necessity for some governmental assistance and encouragement for this infant industry, some of us interested in this matter, more than a year ago prevailed upon the then Secre-

tary of Agriculture, the Honorable Clinton P. Anderson, and the Commodity Credit Board, under the broad powers given it by Congress, to grant the industry a support price of 25 cents per pound for the 1947-48 crop. About 60 days ago we appealed to Secretary Anderson and the Commodity Credit Board to renew the support price upon the same basis for the 1948-49 crop. Again Secretary Anderson was most cooperative and sympathetic and the new program was well under way when, unfortunately, the able Secretary resigned in the midst of the negotiations and the working up of the new program.

Shortly after the resignation of the Secretary, and pending the appointment of his successor, the Board met and refused to grant a new support program for next year's crop. I understand that this refusal was based upon the grounds that it had become necessary for the Commodity Credit Corporation to buy up at the support price of 25 cents per pound, approximately 75 tank cars of this oil. And in this connection it might be well pointed out that this action of the Corporation in acquiring this oil was necessitated by the fact that just prior to the time for renewal of the support price program exceptionally large quantities of tung oil were imported from China, thus running the price down from around 30 to 24 cents. There are ample grounds for the opinion, prevalent in many quarters, that this was done deliberately to prevent the granting of a new support price upon the domestic product. It is significant that the price of tung oil during these deliberations has never gone below 24 cents. Of course the brokers who import Chinese oil are naturally more interested in commissions than in the building up of the domestic supply.

Anticipating that we might encounter some difficulty in the renewal of the support price for next year's program, on February 12, 1948, I introduced H. R. 5348, which would make tung nuts one of the basic commodities along with cotton, peanuts, et cetera, and by legislative edict make it mandatory upon the Department to support tung nuts at not less than 90 percent of parity, as is provided for the other basic commodities, using the base period from January 1936 to December 1940, which would result in a support price of approximately 28 cents per pound for tung oil.

Unfortunately again, we failed, due largely to the governmental attitude plus the fact that this product is produced in such limited areas. This commodity was refused this support notwithstanding the fact that linseed, which historically brought a lower price than tung, and which oil is inferior to tung oil, in every way, as a drying oil and otherwise, has been consistently supported at a higher level than tung.

Under all of the facts of the case the bill under consideration should provide for a support price for this most valuable industry, but I realize the futility of offering this as an amendment on the floor of this House today. I know too well that this bill is a "closed shop" so far as adding any new product is concerned. I

am told that if an amendment is permitted to add tung to the bill, there will be many other commodities sought to be brought into the scope of the bill. Therefore the committee is opposed to any amendment. Frankly, Mr. Chairman, I considered offering my bill as an amendment to this bill, but in view of the attitude of the committee and the apparent haste of the House I deem it wise not to jeopardize the chances of securing this support at the hands of the Commodity Credit Corporation which already has the authority to grant such support.

My purpose, therefore, in bringing this to the attention of the House is to acquaint the membership with this industry and its tremendous importance, both economically and as a matter of national defense, and to keep the record straight. I might add that we are still carrying on negotiations with the Commodity Credit Corporation and we are very much in hopes that they will yet grant this most deserving infant and strategic industry the support price to which it is so justly entitled. But, I here and now make the statement that if we do not succeed in that, that next year we are going to be camping on the doorstep of the Committee on Agriculture of the House to see that the support price is made mandatory by legislation.

Mr. HAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAND: On page 2, line 1, strike out the word "and" before "peanuts" and after "peanuts", insert "and vegetables and fruits."

Mr. HAND. Mr. Chairman, I have some little reluctance in offering this amendment because I am inclined at least partly to agree with the distinguished chairman of the Committee on Agriculture that this may not be the time or the place to offer it. The fruits and vegetables to which my amendment refers are perishable, and do not lend themselves easily to the type of parity program which is envisioned in this bill. On the other hand, it occurs to me to be essential to this program that either we are going to have a program for agricultural support, or we are going to have a program merely for the support of certain selected commodities.

I think we should agree that if this program were confined to wheat, corn, and cotton, it might be said that they are basic commodities, but since we have added rice and since we have added tobacco, crops that are regionally important but perhaps not basic to our national economy, and since we have just retained peanuts, it seems to me that if we are going to have a fair and equitable program, we have to consider not merely those regions but all regions of our country which are concerned with agriculture.

In New Jersey we are glad to go along, I hope and think, with this program for the benefit of our friends in the West and South, but New Jersey has no concern as a State with wheat or corn or cotton. On the other hand, we have a very great concern with tomatoes, beans, asparagus, and the great garden crops, of which we are one of the country's

largest producers. So it seems to me if we are going to be at all fair about this thing, if we are going to have a program really for agricultural support generally and not for the support of just a few selected commodities, it is fair to consider that this amendment be now included.

I was greatly heartened by the discussion I had on the floor yesterday afternoon with the chairman of the committee, the gentleman from Kansas [Mr. HOPE], who has assured me that in the consideration of the long-range agricultural program now under way, these crops to which I refer will be considered on a fair and equitable and proper basis.

This bill has already been markedly improved. Potatoes, milk, and hogs have been added. And chickens and eggs are now included. Since my area is one of the greatest producers of poultry products in the United States, I was particularly glad to support the committee in these respects. But these other items must have consideration at once. I think the chairman agrees with me in the principle of this amendment, although he perhaps disagrees that this is the time and place to offer it. Nevertheless, I do feel constrained to offer it. I hope it may now receive the attention of those Members who are as concerned as I am that these commodities have been left out of this general program. In the closing pages of yesterday's RECORD I inserted certain communications from the New Jersey and Pennsylvania Tomato Growers Association, as well as other communications which I think might be of interest to the membership. I hope this amendment may be adopted now. In the event it is not, I feel sure it will be taken into consideration in the long-range program, and that we will give fair and equitable treatment to these groups that have been left out of the program so far.

(Mr. HAND asked and was given permission to revise and extend his remarks.)

Mr. JOHNSON of Illinois. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, I am rather sympathetic with the purposes and intents of the amendment offered by the gentleman from New Jersey. I know that he represents a large section of fruit and, particularly, vegetable growers. He spoke about the tomato growers. But it is entirely impracticable to take into consideration in this proposed legislation any perishables, such as tomatoes, and so forth.

All that I can say on the subject can be said in 2 minutes. It is not practicable to include perishables. I happen to know something about tomatoes, because as a farmer many years ago I used to grow about 20 acres of tomatoes for a canning factory. I know the practice is that the tomatoes are always contracted for in advance at a certain price. They will take all that you grow at that price, and that price is fixed. The farmers are protected, because they know what they are going to get.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Illinois. I yield.

Mr. HAND. I appreciate that what the gentleman says is largely true, that it might not be easy to fit this group in, but that, I do not think, is the same as saying that your committee on the House of Representatives cannot work out a program which would be fair to these groups.

Mr. JOHNSON of Illinois. I do not see how we could accept this amendment and still have a workable piece of legislation, for the simple reason that last fall I was up to one of the largest canning factories in the New England States, where I found that they were flooded with tomatoes and did not know what to do with them. They had more tomato juice and more canned tomatoes. It was stacked to the roof inside and stacked outside as well. They are not going to contract for any more than they can use this year. A man can grow something else beside tomatoes.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Illinois. I yield.

Mr. HAND. That is one instance that sometimes causes difficulty. This year tomatoes have gone down \$4 a ton, although the cost of producing them has risen 15 percent.

Mr. JOHNSON of Illinois. Well, they can turn to some other crops. On most all other perishable crops, a man never knows in advance what he is going to get. His price is regulated by the going market price.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Illinois. I yield.

Mr. HOPE. I agree with what my distinguished colleague from Illinois says. Does not the gentleman also think that since this is a bill which extends certain existing price supports for a temporary period, we should not at this time add any other commodities to it, and that we ought to leave that to a long-range program?

Mr. JOHNSON of Illinois. I am in entire accord with that because this is merely a temporary carry-over because the committee is planning a long-range program, and the committee has already started hearings all over the country on such a program, and I know it will be considered at that time.

Mr. BRADLEY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Illinois. I yield.

Mr. BRADLEY. Does not the gentleman think it might be practicable to give some consideration to citrus fruit in the hearings which your committee will hold in the reasonably near future on this long-range support program?

Mr. JOHNSON of Illinois. I might say to the gentleman that the committee has to some great extent heard the citrus fruit people. They have a problem. For instance, Florida has a market for about 100,000,000 boxes of citrus fruits, yet they have been producing this year at the rate of 110,000,000 instead of 100,000,000 for which they have a market.

Mr. BRADLEY. We in California have a great problem and would appreciate anything the committee can do to assist us.

Mr. JOHNSON of Illinois. I am sure it will go into that thoroughly and try to work out something.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(Mr. ABERNETHY asked and was granted permission to revise and extend his remarks.)

Mr. ABERNETHY. Mr. Chairman, I would like to again point out that the measure before us is only of a temporary character. Whether you pass it or not, supports will be continued through December of this year.

For the past 12 months or more the Agriculture Committees of the House and Senate have been making a study of the various farm programs, looking to the writing of a long-range bill. It is now too late to write such a bill during this session of the Congress, and necessarily it must go over until next year. Therefore, the purpose of the pending bill is to more or less retain the status quo until the long-range bill is enacted. The bill before us merely extends the support program through 1949.

The statement was made on the floor yesterday that our farmers were rolling in money, that they have become rich. This is positively not true. Our farmers are living a little better today than they were a few years ago. But so are the rest of us. Many of you seem to have forgotten the days when our farmers were selling their corn, wheat, cotton, hogs, cattle, and so on, at much less than the cost of production.

Now what is the present situation? The Government has again called on our farmers to produce large crops to help feed the world. The large production goals could create price-breaking surpluses. Chances are that will not happen. But it can happen. Therefore, the Government should at the same time assure our farmers against such a serious hazard. And that can only be done through price supports.

The support-price program is nothing but a means of supplying a reasonable floor price. Labor has its minimum wage. Business has its tariffs. They are nothing more or less than a floor under wages and profits. Why should there not be a floor price under farm commodities? Furthermore, labor is organized and through such organization it has the means of fixing wages. Farmers cannot so organize. They cannot fix prices. The price-support program is the only process by which farmers may be saved from disastrous price breaks.

I repeat, Mr. Chairman, that this legislation is only temporary. New legislation will be written next year. Certainly the present farm program should not be disturbed until the new long-range bill is put into effect.

I urge you to support this bill.

(Mr. ALBERT asked and was granted permission to revise and extend his remarks.)

Mr. ALBERT. Mr. Chairman, I rise in support of this legislation designed to continue and to improve our price support program on agricultural products. If this kind of legislation was ever needed, it is needed today. Even in these days

of so-called prosperity the farmer gets less return for his work, hour for hour, than any citizen of our country. Never before in the history of our country was there such necessity for increasing farm production as there is today. With half of the world dislocated and destroyed by war the American farmer is being called upon to feed the world.

We have passed legislation for the recovery of Europe. We do not like to see people in distress or suffering for want of food anywhere. We want to see the democratic nations of the earth strong and able to stand on their feet. We want them to be able to furnish an outlet for our farm products to the end that the farmers of our country will enjoy a good market for the things they grow. This cannot be done unless we can guarantee to our farmer citizens that they will receive a reasonable price for their goods. I am telling you people who come from the cities that this legislation is just as important to you as it is to our farmers. You have no choice but to depend on the farmer for your food and clothing. Most of the basic necessities of life come from the farm. You are not going to keep young men and women on the farms producing the things you need unless they can have some reasonable assurance that they are going to enjoy a good standard of living on the farm.

I want to tell you a little bit about what farmers have always had to face, and you will see why I feel so strongly about this legislation. I grew up on a farm in Pittsburg County, Okla. I am proud of it. I remember as a boy we used to pick a bale of cotton and haul it 8 miles to the gin. We did not have trucks on farms in those days. We would hitch up a team of horses or mules and take out for town at about 3 o'clock in the morning. We would have our cotton ginned. The buyers would sample it. They never asked us how much we would take for it; they told us how much they would give us for it. Then we would go down to the store and buy a few things that we needed on the farm. This time they told us how much we would have to pay for it. In other words, a farmer never had anything to say about how much he would take for what he had to sell, nor did he have anything to say about what he would pay for the things he had to buy. He was at the mercy of a buyer's market on the one hand and of a seller's market on the other. In other words, they caught him coming and they caught him going. This has always been true. Yet there are people who do not believe in price support for farm goods.

Manufacturers have had protection in the form of tariffs from time immemorial, but price supports for farm goods is a new thing. Yet this program will end this year unless we pass this bill today. I hope it has the overwhelming support of this Congress.

During my brief service in this House I have supported every piece of farm legislation that has ever come to this floor. I am for our soil-conservation program. Our freedom is our greatest governmental inheritance; our soil is our greatest material inheritance. Yet we

are advised that 50,000 acres of soil are lost to our children through floods, erosion, and depletion every year. That is a vast supply of wealth that must be conserved. It presents one of the greatest problems now facing the American people. Our soil not only belongs to this generation. We must conserve it for generations yet to come.

I believe in rural electrification. I have had the honor during my term in Congress of supporting the largest appropriations for this program in the history of our country. Nothing that our Government has ever done for the farmer or to the farmer has done so much to lift from the backs of our farm people and particularly our farm women the drudgery and the toil that they have always known. I am happy that within the past 12 months electricity has been extended to many hundred farm homes in my district. I am happy that new lines are being built and new connections are being made every day. I hope I live to see the day when electricity is within reach of every farm home in Oklahoma.

I am for the school-lunch program. I hope this program is continued through the years. It is an American program. It is a program for our country, a program for the finest things we have in this life, the American boy and the American girl. It has been a great success, and I do hope it remains a permanent part of our agricultural appropriation bills.

Again I want to urge the adoption of this measure for the support of farm prices. It is necessary legislation. It is necessary in order to keep up farm production. It is necessary in order to give the farmer an income which will enable him to maintain the standard of living that all of us know he deserves.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from New Jersey [Mr. HAND].

The amendment was rejected.

(Mr. MICHENER asked and was granted permission to revise and extend his remarks.)

Mr. MICHENER. Mr. Chairman, it is regrettable that there are those among us who on the least provocation or, I might better say, at every opportunity, bring partisan politics into all legislation debated before the Congress immediately preceding every national election. The debate thus far has in a degree followed that pattern. All of which adds up to the fact that it is very difficult to give unbiased, unprejudiced consideration to important matters at this time.

Certainly there should be no politics in farm legislation. It is my understanding that this has always been the rule in the Committee on Agriculture, but when legislation reaches the floor of the House unfortunately the rule seems to be different.

Now I am not going to again repeat the usual statement that I have the greatest agricultural district in the country, made up of family-sized farms; that the percentage of absentee ownership is very small, and that my farmers are real farmers. Neither am I going to elaborate on the fact that many of the farmers of my country are active members of the

National Grange and the National Farm Bureau Federation; both of which favor this bill; that many are graduates of our agricultural college, and that modern approved methods of farming are commonplace in our district.

I believe thoroughly in free enterprise. I therefore naturally do not favor Government subsidies except where they are necessary in the public interest. There are cases where Federal aid is not only desirable and advisable but where it is essential in the public weal.

Now this bill does continue for a limited period support prices for certain agricultural products. I am convinced that there must eventually be an over-all farm stabilization program, based upon peacetime consumption and not upon wartime economy. This bill recognizes this fact and I think that the carefully prepared statement of the Committee on Agriculture explaining what the present proposal is and why it is submitted to us at this time, is clear and concise. That statement is as follows:

PRICE-SUPPORT PROGRAMS AND THE WAR

The price-support programs for agricultural commodities which would be modified and continued by this bill came into being principally because of the urgent demands for increased food and fiber production to meet war and essential civilian needs. Some of the price-support programs were built upon and around prior legislation, such as the Agricultural Adjustment Act of 1938, as amended. Other programs were inaugurated under powers already vested in the executive branch of the Government without further legislative action. Still other programs came about as the result of amendments to legislation dealing with price control and economic stabilization activities during the war. These programs have been invaluable in obtaining necessary production of agricultural commodities. Most of the various price-support programs were scheduled to terminate 2 years after the 1st day of January immediately following the date upon which the President, by proclamation, or the Congress, by concurrent resolution, declared that hostilities in the present war had terminated. This 2-year period of mandatory price support at certain levels was provided originally to give producers an opportunity to make readjustments in production. The President, by proclamation, on December 31, 1946, declared that hostilities in the present war had ceased, thereby automatically terminating, in the absence of further legislation, certain price-support programs on December 31, 1948.

The Committee on Agriculture shortly after the Eightieth Congress convened commenced working to develop a new and long-range agricultural program to supplant the wartime program. Extensive hearings were held in Washington throughout the first session of the Eightieth Congress. During the summer recess the committee held hearings throughout the length and breadth of the Nation to obtain first-hand the views of the farmers to assist in developing a long-range agricultural policy.

In the period since the issuance of the President's proclamation events of great significance to our economy have taken place throughout the world. These developments included one of the worst weather periods in the history of western Europe, which resulted in a further drastic reduction in an already greatly reduced agricultural production. In June came the speech of the Secretary of State outlining the so-called Marshall plan. Shortly thereafter there developed the crises in France, Italy, and Austria which brought about the enactment of the Foreign Aid Act

of 1947 authorizing emergency aid for such countries. The aid provided under that act required the exportation of large quantities of agricultural commodities. Concurrently with these events, the 16 nations embraced within the so-called Marshall proposal were busily engaged, in conjunction with representatives of this country, in developing a plan of aid designed to assist in the economic recovery of western Europe and in the stabilization of free governments which were being subjected to increased pressures from the east. This culminated in the European recovery program and the enactment of the Economic Cooperation Act of 1948. The effect of these developments has been to change drastically the agricultural outlook from what it was at the time the President declared an end to hostilities and at the time the committee commenced work on its long-range agricultural program in this Congress.

All of the developments referred to above have resulted in heavy demands upon American agriculture equivalent to those experienced during the war. During and since the war it has been necessary to continue agricultural production far above prewar levels, and farmers have not had an opportunity as was contemplated to adjust their production to anything like anticipated normal peacetime demands because urgent needs for food and fiber throughout the world have been too great. The full impact of the Foreign Aid Act of 1947, approved December 17, 1947, and of the Economic Cooperation Act of 1948, approved April 3, 1948, on American agriculture is not yet known, and no one can, with certainty, predict what it will be. We may, however, be assured that the repercussions will be great. In view of these rapidly changing circumstances and conditions, the committee has experienced extreme difficulty in attempting to formulate a long-range agricultural price-support policy which will be effective under conditions which may be expected to exist under normal peacetime situations and at the same time meet conditions as they exist at present. The reason for this difficulty is readily apparent. Programs designed to meet average peacetime situations simply are not adequate to cope with the extraordinary domestic and international conditions confronting the world today. At present there appears to be little prospect of any substantial lessening in the demands for products of American farms from that experienced during the past year. It is imperative, therefore, that we keep in readiness the tools by which we may obtain food production at maximum levels, consistent with sound land-conservation practices, if we are to have available at fair prices the kinds and amounts of food needed to meet our domestic requirements and at the same time carry out the obligations we have assumed in foreign fields. It is also necessary that the tools be flexible enough to bring about adjustments to meet changing conditions. The accompanying bill provides that flexibility.

There is at present considerable uncertainty in the minds of farmers, and among Government officials administering various agricultural and foreign-aid programs, concerning the agricultural situation which will prevail after the end of this year. Since some of these support programs are scheduled to terminate at the stroke of midnight on December 31, 1948, while others continue on throughout the marketing year for certain 1948 crops, our production and marketing pattern could be severely distorted unless these uncertainties are removed at any early date. The committee is, therefore, recommending the immediate enactment of the accompanying bill, which provides for a continuation of price-support programs on a somewhat modified basis. The authority provided under this bill, it is believed, will permit maximum production of essential

commodities to be obtained and at the same time permit such adjustments in the production and marketings of certain less essential commodities as may be necessary to bring about a reasonable balance in the supply of foods and other agricultural commodities with changing levels of demand.

In recommending enactment of this bill it should clearly be recognized that the committee is continuing its work in formulating a long-range agricultural price-support policy. For this and for the other reasons referred to herein the committee believes it would be unwise at this time to extend the price-support programs provided for in the accompanying bill beyond June 30, 1950. Prior to that time the committee expects to have some recommendations with respect to a long-range agricultural price-support policy available for the consideration of the Congress. The enactment of this program now, however, will give farmers assurance of continued price support so that they can, with confidence, make plans for the future and provide the quantities of food and other farm products so vitally needed in the world today.

In the district which I have the honor to represent in Congress our farmers are not all agreed as to Federal aid, the AAA program, and other legislation affecting agriculture. These farmers are honest and sincere, but do not entertain the same views respecting these problems. Therefore, it is impossible for a Member of Congress to vote with all of them. In these circumstances, I concede it to be my duty to weigh the arguments on either side and then support that policy which I believe to be most likely to provide adequate food and fiber for our people at the lowest price possible, allowing cost of production plus a reasonable profit to the farmers, just the same as makes the operation of industrial business possible.

There is no new principle embodied in this bill. Existing legislation has its faults, and changes should be made. However, no law is better than its administration, and the present Department of Agriculture has, in my opinion, failed miserably in carrying out the intention and purpose of Congress in its administration of some of the provisions of the law. Many of my farmers protest against what they call bureaucratic control and domination on the part of Washington agencies. As stated in the committee report, to which I have just alluded, committee hearings have been held, studies made, and investigations are now in progress as to that administration. In the next Congress there will be a general revision of all farm legislation. Yes; there will be more than a revision. There will be a general overhauling to the end that our people are assured of adequate food and that the young men and the young women will be encouraged to continue in the agricultural industry rather than to abandon the farm projects, as has been the custom within the last few years. The hours of work in the urban centers are so much shorter and the financial reward is so much greater that these young people just will not stay on the farm under such conditions.

Mr. Chairman, it has been made clear in this debate that this overhauling of

present farm legislation is necessary, and I think the Congress is unanimous in the promise that it will be done.

We are all mindful of the fact that in election year promises are the common thing. I do not want to be a party to any promise that will not be kept insofar as it is legislatively possible to do so. So, it would seem the best plan to be pursued at the moment is to pass this continuing law, and that each of us in our respective districts give special attention to just how the law affects our particular constituents and be prepared to contribute our part in the formation of a sound, long-range agricultural program for the future. No one can find fault with such an endeavor. A vast majority of our membership contemplates this course of procedure. I feel sure that in the light of the experience of the past, and the information gained in the investigation and study to be made during the summer, a wholesome and necessary law protecting not only the producer of food, but also the consumer, can and will be written.

Mr. GEARHART. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. GEARHART: On page 3, line 8, strike out the period and insert in lieu thereof a comma and add the following: "And that citrus and dried fruits and raisins shall be supported at such percentage of parity as shall be determined by the Secretary."

Mr. GEARHART. Mr. Chairman, citrus, dried fruits, and raisins are now in distress. In days gone by, the producers of those articles have enjoyed, without support, a great prosperity, and during those days they yielded to the National Treasury great sums in national revenue, a large part of which has been used in rescuing other distressed crops, such as those that have been mentioned here today.

Times have changed, and we find that citrus, raisins, and dried fruits are in distress, and they are calling on the country, which they have ever sustained, for relief by inclusion in this program. Those crops meet every test and every requirement for inclusion. They are export crops. By that I mean 20 to 50 percent of the production of these farm commodities must be exported from this country each year. The reason those crops are in distress grows out of the fact that the export markets of the world are now in confusion and dislocation, this as a consequence of the war. So it would be an act of graciousness on the part of the Government to extend this great privilege, this great sustaining privilege, if you please, to those industries which have so nobly supported this program in the days gone by, when they were enjoying a prosperity which unhappy conditions now deny them.

There is another reason why these commodities should be accorded this support. They are not annuals in any sense of the word. It takes from 5 to 7 years to develop a grapevine; from 5 to 7 years to grow a fruit tree. It takes from 7 to 14 years to bring a citrus tree to that

point where it will produce in high quantity. Therefore, to tell them that they must abandon their orchards and their vineyards is unthinkable. They must be tided over, and this is one way we can do it, and, by doing it, we can, at the same time, save other industries from a consequential distress which will overtake them if this support formula is not written upon the statute books.

My amendment refers in part to dried fruits and berries—peaches, apricots, pears, apples, raisins, and other commodities which in their fresh state are raised in every corner of this country. Because of climatic conditions they are not, however, dried in every section of the country, though the production of them in every section of the country is very, very great. Without support, it will mean that much of the tree fruit will not go on the drying trays but will be marketed for table use or processed. If this is to be the consequence of the failure of the Congress to act, the market for fresh and canned fruits will be glutted, this to the disaster of the entire tree-fruit industry, dried, fresh, and preserved. So in order to provide a reasonable protection for deciduous-fruit industry against the vicissitudes of the market in all sections of the United States it is absolutely necessary that we include in this support program the dried fruits I have mentioned.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the distinguished gentleman from Nebraska.

Mr. STEFAN. Does the gentleman know that about \$49,000,000 worth of dried fruits from Italy and other foreign countries are in the ERP program, the cost of which is about \$600 a ton as compared with a cost of about \$220 a ton for California fruit?

Mr. GEARHART. That was one of the very difficult things to understand.

We wonder why our Government persists in buying foreign-grown fruit at greater cost to the taxpayers when the fruit of our own orchards rots in the drying sheds or warehouses for want of buyers. Certainly, such a saving as the one the gentleman from Nebraska refers to cannot be lightly disregarded.

So it would appear to be but even-handed justice, the adoption of this amendment now. It is in confidence that I commend it to your careful consideration. It is upon its intrinsic merit that I submit it to the membership of this great Committee of the Whole House on the State of the Union. Thank you.

[Mr. PHILLIPS of California addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks.)

TAFT, A FRIEND OF LABOR

Mr. HOFFMAN. Mr. Chairman, activities of a few—a very few—who were taking advantage of the Wagner Act to infiltrate into and use union organizations for their own purposes, brought about the enactment of the Taft-Hartley law. Unfortunately, Senator TAFT and Representative HARTLEY and the members of the committees which drafted the act, has been characterized as antilabor.

Everyone with a grain of sense knows that neither TAFT nor HARTLEY, nor the committees over which they preside, had the power to enact this law.

The Congress of the United States—by far more than a two-thirds majority in each House—passed the bill over President Truman's veto.

It is not only untrue, but it is absurd, to charge any small group with the responsibility or claim the credit for this law or, on the other hand, to contend that it is unfair to labor and that those Senators and Congressmen who voted for it in such overwhelming numbers are antilabor. Senators and Congressmen hold their jobs because a majority of the people in the States, in the case of Senators, in the congressional districts in the case of Congressmen, vote for them.

A Senator or a Congressman who does not reflect the thinking and the will of the people of his State or district does not long remain in Congress.

The people are the employers—the Senator or the Congressman is the employee—in my own case, the hired man.

There has been a great deal of misunderstanding due to unfair propaganda. Because Senator TAFT is a candidate for the Republican nomination for President, he has been the object of a most misleading attack.

Permit me to read from an article by that unreconstructed Democrat, Morris A. Bealle, setting forth his views on TAFT and the law which bears his name:

I quote:

BUCKEYE BOB

ROBERT A. TAFT, of Ohio, reminds us of nothing so much as Franklin D. Roosevelt and Hitax Harry Truman—he is so different.

BOB TAFT is the one professional politician in today's Presidential sweepstakes—Republican or Democratic—who appears to possess the ability and courage to pick up the pieces of our shattered government and put them together again.

Senator TAFT has been smeared by the labor press and its leaders, and by the goons and racketeers of the labor movement, in the hope that the delegates at Philadelphia will be scared into ditching him. If the Republicans have any sense, they will nominate him and then proceed to clarify the issues so they will be understood by the American people.

The newspapers have poll parroted the vilification of the labor goons since Congress passed the Taft-Hartley labor bill to such an amazing extent that millions of Americans believe the Ohio statesman is some sort of a horned labor baiter. Actually he is anything but.

LABOR'S BILL OF RIGHTS

The record shows, and the truth proves, that the Taft-Hartley Act not only will be the best thing for labor in the long run but it is the best piece of legislation for the American people that has been passed since F. Roosevelt began to make fun of the Con-

stitution and show his contempt for it by his official acts.

If the labor goons would tell their meal tickets (dues payers) the whole truth, they would point out that it was Senator TAFT who saved the striking railroad workers from being made into conscripts overnight. President Truman had sent to Congress his bill to draft these railroad men into the Army while antistrike hysteria was at its height.

The House of Representatives had passed the bill with a whoop. It was Senator TAFT who stood up in the Senate and, using his influence and power as the majority leader, killed the proposal dead as a door nail. Every labor vote against candidate TAFT would, therefore, be an act of gross ingratitude, the kind a snake shows when it bites the hand that feeds it.

If the Republican bigwigs will hire themselves a real publicity department, and "debunk" the smear-Taft propaganda of the labor goons, they will have a winner for years to come. If they let the Whitneys, and Tobins, and Bridges, and Wallaces stampede them into nominating a second rater they may find themselves on the outside looking in for 16 more years.

Where the Wagner bill emancipated labor from the law of supply and demand when wielded by hard-bolled employers, it also gave labor under the control of its own racketeers and the political party in power. The Taft-Hartley bill emancipated labor from this ugly feature of the Wagner Act.

A proper presentation of this bill to the American people by the Republican bigwigs and money bags would be a far smarter move than to turn thumbs down on its author just because he has been vilified from A to Izzard by the labor goons and their journalistic dupes.

HYSTERICAL ADVERTISEMENTS

When the bill was passed, hysterical full-page advertisements were found in many newspapers calling it a slave-labor bill, a ripper law to gut unions, a wreck-labor bill, crucifixion, treason, and every other uncomplimentary epithet the labor mimeograph department and the Communist press agents could think of.

These advertisements were paid for by the workingmen themselves. They were inserted at the instance of the labor leaders, goons, and racketeers who have muscled into a lush racket and live on fat \$25,000 salaries and unlimited swindle sheets. All of this is at the expense of the organized workingmen.

These advertisements fanned into a flame the passions of 100,000 CIO members who paraded up Fifth Avenue in New York on June 10, 1947, in protest against the bill. It is doubtful if ten of these 100,000 marchers ever read the bill or had the slightest knowledge of its provisions. In fact it is doubtful if the majority of them could read at all.

When one carefully studies the Taft-Hartley Act, the reason for the vituperation of labor's pay roll bums is apparent. It not only weakens their control over the individual honest workingman but it threatens the existence of their respective rackets. Is it any wonder they hurl epithets and spend millions of dollars of their victims' dues to misrepresent the act to the public?

WORKMEN'S RIGHTS

The Taft-Hartley Act gave workingmen the right to earn a living at their chosen calling without interference by government or goon squad. This feature will hasten the economic recovery of the United States—if and when the political parasites are run out of Washington and the war is declared over—by at least 2 years.

The act's section 8 prevents a union from depriving a workman of his job for any reason other than nonpayment of union dues or initiation fees. It still leaves the union free to take away a member's card for any

reason that it sees fit, but it does prevent the union from forcing an employer to discharge a good workman because he has incurred the displeasure of the union bosses.

This act is enough to make labor racketeers see red. We don't blame them, but we do blame those who would vote against Senator TAFT, should he be the nominee, on this false and phony premise.

The Taft Act retains the Wagner Act provision that employers may not discriminate against employees for union activities. But it also grants employees the right to refrain from union activities if they desire, and prevents the unfair-labor practices of union bosses and racketeers discriminating against them for not so doing.

DOESN'T FORBID STRIKES

Contrary to the published propaganda of the labor goons, section 13 does not forbid strikes. It not only expressly reaffirms this right, but it gives the worker the right to make important decisions for himself and frees him from the Hitler-Mussolini technique of his leaders who in so many cases insist on making decisions for him.

It requires that issues must be sold the voting members on their merits, and not by threats of lost jobs or cracked skulls. That, too, is a bitter pill for the union racketeers to swallow. Some unions charge initiation fees running into hundreds of dollars. When the war approached, the carpenters' union was given employment-agency rights in the various camps that were going up in a hurry. The result was an orgy of racketeering and a slow-down of camp construction.

Any old hack barber or street sweeper who would pay \$50 to the union, was put on the Government pay roll as a carpenter. One local union in a large metropolitan city (the Nation's Capital) cleaned up over \$400,000 by this racket. A first-class carpenter would be denied a job—and the war effort would be denied his services—if he thought this was a shake-down and refused to submit.

CAN FINE UNIONS

The Taft Act makes this impossible—in the event there is an honest National Labor Relations Board—by giving the Board power to fine any union caught charging excessive or discriminatory initiation fees or dues.

Under the Wagner Act a workman was often deprived of his right to present grievances to his employer and to seek redress. Under the phony "Magna Carta" he was required to let the union's grievance committee present it for him.

Often he was not present or allowed to be present, so he had no knowledge of how his case was presented. Often the grievance committee had no knowledge of the facts in his case.

And too often, the worker was either not a member of the union or he didn't stand in with the dominant clique. In that case he never got a hearing. Under the Taft Act the worker can present his own grievance to his employer. Is it no wonder those who sought to control him are howling and yelping for the act's repeal.

DIFFICULT FOR RACKETEERS

The Taft Act makes it difficult for labor racketeers, for their own selfish purposes, to pull or foment secondary or jurisdictional strikes. It thus protects workers in entirely different fields of production from being victims of the greed and lust for power of the leaders of another union.

The Wagner Act has been interpreted as requiring workers to belong either to the old-line American Federation of Labor or the Communist-dominated CIO. The Taft Act gives workers the right to organize independent unions where the old-line outfits and the commies are not properly representing their membership.

It is any wonder the commies and stand-patters and goons of the labor movement

are lying about Senator TAFT and Congressman HARTLEY?

The Communists will all vote against Senator TAFT because his act requires this breed of two-legged polecat in the labor brass-hat ~~trique~~ to stand up and be looked at as well as counted. Since Mr. Wallace and his third party will get all of the Communist vote, there is nothing about this for the Republican leaders to worry about if they nominate Senator TAFT.

MUST ACCOUNT FOR MONEYS

For the first time in history unions are required to supply the Government and their own members with information about the local's finances and what the members' money is spent for. This brought a yell to high heaven from those professional labor leaders and goons who were mishandling their members' dues and who were stealing from the union till.

No wonder they are sore at Senator TAFT. No wonder they insert full page advertisements in newspapers (at the members' expense) lying about the Taft Act and its principal author.

Another emancipation given the workmen under the Taft-Hartley Act is emancipation from forced political contributions. No longer can the Communist leaders of a CIO union force its members to contribute to the campaign of a candidate friendly to communism who will help destroy the American form of government and the free-enterprise system which provides good jobs at high wages.

The shameful way in which the CIO slugged money from its members to bring about the election of that friend of communism (Franklin Roosevelt) in 1944 would not have been permissible had the Taft Act been on statute books then. Even the creation of a dummy organization known as the PAC (to avoid the penalties of the Hatch Act) would have been of no avail.

PROTECTS AGAINST THEFT

And the act finally protects workers against the squandering of or theft from funds contributed for health and welfare.

We submit that the case of the people for the Taft-Hartley Act, and against the labor racketeers, goons, and false leaders whose little playhouse it breaks down, is complete. Now to Senator TAFT himself.

Unlike Harry Accident Truman, he can see many miles ahead of his nose.

He has demonstrated the ability to analyze a public issue, to see its virtues and vices.

And he has demonstrated the political courage to tell the facts to the American people instead of pussy-footing and trying to ride both sides of the fence, as most professional politicians feel they must do.

He is being crucified for his honesty and courage. We cannot reiterate too many times Henry Mencken's description of a professional politician, because Washington is so cluttered up with them and others are seeking to further clutter it up.

MENCKEN SAID IT

Mr. Mencken said, with hard-hitting bluntness and unassailable logic:

"A professional politician is a professionally dishonest man. In order to get anywhere near high office he has to make so many compromises and submit to so many humiliations that he is undistinguishable from a street walker."

Senator TAFT, if America is fortunate enough to elect him President, appears capable of proving the exception to this hard and fast rule. At least his record so far in the Senate gives such evidence.

He was born in Cincinnati, Ohio, 58 years ago, the son of a brilliant father. We disagree with his press agents that because he was brought up in the White House this makes him better Presidential timber. They

are doing him a disservice by bringing up such a specious plea.

The elder Taft's public service started as Solicitor of the Justice Department and ended as Chief Justice of the United States Supreme Court. In between he was President of the United States. The son has made no effort to bask in his father's glory.

He is seeking the Presidency on his own merits and his merits appear at this time to overshadow those of every other candidate on the horizon with the possible exception of General MacArthur.

Mr. HOPE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the distinguished gentleman from California [Mr. GEARHART] has made a forceful and very eloquent plea for his amendment and I am sympathetic with the situation in which the fruit producers of California, both citrus and deciduous, find themselves. I believe, however, that it would be a mistake in this temporary extension of existing price support legislation to enlarge the scope of the program. As I said awhile ago in connection with the amendment offered by the gentleman from New Jersey, when the committee comes to considering a long-range program it will give consideration to the tree fruits. But this is not the time or the place to enlarge existing law to include those commodities.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from California.

Mr. PHILLIPS of California. The gentleman does agree that one of the elements involved here is the length of time and the investment before these commodities are produced?

Mr. HOPE. I think that is an additional argument for the inclusion of these products in a price-support program. I may say to the gentleman from California [Mr. GEARHART], that under the existing program and under section 1 (d) and this legislation there is authority to carry out a price-support program of this kind. But what the gentleman does is to make it mandatory and I do not believe we should say to the Secretary of Agriculture that he must support the price of these tree fruits.

Mr. Chairman, I ask that the amendment be defeated with the understanding, of course, that the committee will consider the matter when it takes up the long-range program.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from California.

Mr. GEARHART. In view of the fact that we treat this in a slightly different way, in that we do not fix a 60 or 90 percent of parity but leave it to the Secretary himself to determine what is a fair support price, does that not make it a little more acceptable to the distinguished gentleman from Kansas?

Mr. HOPE. It does make it more acceptable, but it still is a mandatory provision and says to the Secretary, "You must support the price of these commodities." I do not think that is a wise provision. As I said, there is already in the law now and in this bill the authority

to support these commodities if the Secretary deems it advisable. That is as far as we should go at this time. We are merely extending existing law by this bill, and I do not think we ought to add to it at the present time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. GEARHART].

The question was taken; and on a division (demanded by Mr. GEARHART and Mr. PHILLIPS of California) there were—ayes 53, noes 66.

So the amendment was rejected.

Mr. SASSCER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SASSCER: Page 2, line 23, before the period insert the following: "except that for the purpose of computing the parity price of Maryland tobacco, the base period shall be the period August 1936 to July 1941 in lieu of the period August 1919 to July 1929."

Mr. HOPE. Mr. Chairman, I make the point of order that the amendment is not germane.

The CHAIRMAN. Does the gentleman from Maryland wish to be heard on the point of order?

Mr. SASSCER. Yes, Mr. Chairman.

This bill is directed toward loans, and this amendment establishes the loan base for this particular commodity. Therefore I think it is rather closely interlocked, making it germane to the bill.

The CHAIRMAN. Does the gentleman from Kansas desire to be heard further?

Mr. HOPE. Mr. Chairman, this bill, and the section to which the amendment is offered, merely extends the price support program. It does not in any way deal with the parity formula or with the base period upon which parity may be computed. The amendment offered by the gentleman from Maryland deals with one subject only, and that is, it sets up a new base period upon which to compute parity for Maryland tobacco. It clearly does not have any place in this bill which does not in any way deal with the subject of parity or the parity formula.

Mr. SASSCER. As I understand, the bill relates to parity, and in order to get loans you have to have a base to get the parity. This relates to the base, and my contention is that the two are interlocked; that you cannot have parity without a base.

Mr. HOPE. This bill deals only with an extension of existing law. It does not in any way touch the parity formula, and I cannot conceive that any amendment which attempts to change a pre-existing formula would be germane to the object or purpose or language of this bill.

The CHAIRMAN. The Chair is ready to rule. The gentleman from Maryland offers an amendment which has, as its principal purpose, a change in computing the parity price for Maryland tobacco. The Chair feels, as the gentleman from Kansas [Mr. HOPE], chairman of the committee, very properly suggests, that this is beyond the scope of the bill presently under consideration and therefore sustains the point of order.

Mr. POTTS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have listened to the debate pro and con on this farm legislation and find that I cannot escape the conclusion that it will not only maintain but increase the cost of living for the consumer without at the same time effecting any justifiable additional relief for the farmer.

As the gentleman from Pennsylvania [Mr. Gross] pointed out, the agricultural price-support program was originally intended to save the farmer from excessive loss. To that extent legislation is appropriate because farming is essential if the people as a whole are to be sufficiently and adequately nourished.

The program was, however, not intended to assure a great profit to the farmer. The result of such legislation is to control the farmer's crops and to glut the market because farmers will grow that crop as to which such excessive security has been conferred. Potatoes are one striking illustration of that.

I regret that the pendulum has swung too far. I cannot support this bill.

The Clerk read as follows:

SEC. 2. From any funds available to the Department of Agriculture or any agency operating under its direction for price-support operations or for the disposal of agricultural commodities, the Secretary of Agriculture is authorized and directed to use such sums as may be necessary to carry out the provisions of section 1 of this act.

SEC. 3. Section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935 (49 Stat. 773), re-enacted by section 1 of the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246), as amended, is hereby amended to read as follows:

"SEC. 22. (a) Whenever the President has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify.

"(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 percent ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not

render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a), of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: *Provided*, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 percent of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: *And provided further*, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine.

"(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States.

"(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section.

"(e) Any decision of the President as to facts under this section shall be final.

"(f) No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party."

SEC. 4. This act shall take effect on January 1, 1949, except that section 3 shall take effect on the date of enactment of this act.

Mr. HOPE (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. RAYBURN. Mr. Chairman, I hope this bill will receive an overwhelming vote, and certainly the vote of every Democrat. It continues for 18 months the support-price program which was enacted by a Democratic Congress and which has been of such great benefit to the farmers in every part of the Nation. These supports cover cotton, corn, wheat, rice, tobacco, peanuts, hogs, chickens, eggs, wool, milk, butter, and soybeans.

The Committees on Agriculture of the House and Senate have devoted many months to investigations and hearings looking to the preparation of a long-range farm program for the future. But

due to the early adjournment of this session it is now apparent that a long-range program cannot be enacted before adjournment. Therefore the purpose of the pending bill is to continue present supports until a long-range program can be enacted.

Earlier this week we passed a bill to extend the Soil Conservation and Domestic Allotment Act, now scheduled to expire December 31, and within the next 2 or 3 days we will have before us a bill to extend the life of the Commodity Credit Corporation.

These three measures are the heart of the farm program. One to stop the erosion and depletion of our soil and rebuild its fertility. Another to give the farmers protection against breaks in prices by supporting such prices at 90 percent of parity, and the third to continue that agency which makes the loans and purchases necessary to maintain those supports.

I think we now have a great farm program and about all we need for a future long-range farm program is to make permanent the one we now have with such improvements and refinements as our past experiences show to be needed. It contributes in good measure toward the end we have sought so long, that is, an assurance to those who till the soil and ride the range that they shall have their fair share of the national income and that same high standard of living as is now enjoyed by other groups.

I do hope when our present farm programs are perfected and combined into one great long-range program for the future that proper adjustments will be made in the parity prices of cattle, dairy products, and wool. Their parity figures are out of line on the low side, they need some upward adjustments, and being three of our most important and basic commodities I shall insist upon a proper adjustment of their parity prices.

Of course the pending amendment to strike peanuts as a commodity to be supported at 90 percent of parity must be defeated. Possibly to some of you peanuts may seem to be of little importance, but in my country, and in many parts of the South, the production of peanuts has become an important crop and contributes a great deal to the income of the farmers. There can be no justification for treating it any differently from other basic crops.

The production of peanuts is an expensive undertaking, they are our most soil-depleting crop, our fields are still low, means of mechanical cultivation and harvesting are not yet generally available, and I do not know of any commodity more greatly in need or more entitled to have 90 percent of parity support prices. Let us kill this amendment.

The CHAIRMAN. Are there further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ANDERSON of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6248) to author-

ize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes, pursuant to House Resolution 638, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. DIRKSEN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DIRKSEN. In its present form I am, Mr. Speaker.

The SPEAKER. Does any member of the minority seek recognition to offer a motion to recommit?

If not, the Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DIRKSEN moves to recommit the bill, H. R. 6248, to the Committee on Agriculture.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 33, noes 163.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. RAYBURN asked and was given permission to extend his remarks in the RECORD at the point before the vote on the bill just passed.

Mr. HOPE asked and was given permission to extend his remarks in the RECORD.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 238. An act for the extension of admiralty jurisdiction;

H. R. 239. An act to further perfect the consolidation of the Lighthouse Service with the Coast Guard;

H. R. 929. An act for the relief of Ernest L. Godfrey;

H. R. 945. An act relating to the payment of fees, expenses, and costs of jurors;

H. R. 1222. An act for the relief of Mr. and Mrs. M. C. Lewis;

H. R. 2776. An act to extend the times for commencing and completing the construction of a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.;

H. R. 2867. An act to permit, subject to certain conditions, mining locations under the mining laws of the United States within

that portion of the Harney National Forest, designated as a game sanctuary, and for other purposes;

H. R. 2916. An act for the relief of Waiter Vandahl and Esther S. Vandahi, Ailabrada Adams, Mrs. Lucile L. Rice Taibot, Mrs. Gladys Webb, and John E. Webb;

H. R. 3007. An act for the relief of Ernest F. Lutzken;

H. R. 3114. An act for the relief of the estate of John Delman;

H. R. 4114. An act to amend the Public Health Service Act to permit certain expenditures, and for other purposes;

H. R. 4244. An act to authorize assistance to certain veterans in acquiring specially adapted housing which they require by reason of the nature of their service-connected disabilities;

H. R. 4298. An act for the relief of Henry Hill;

H. R. 4455. An act to authorize the conveyance by the Secretary of the Interior to the Richmond, Fredericksburg & Potomac Railroad Co., of certain lands lying in the bed of Roaches Run, Arlington County, Va., and for other purposes;

H. R. 4566. An act for the relief of William Nally;

H. R. 4659. An act to ratify and confirm amendments to certain contracts for the furnishing of petroleum products to the United States;

H. R. 4964. An act to preserve seniority rights of 10-point preference eligibles in the postal service transferring from the position of letter carrier to clerk or from the position of clerk to letter carrier;

H. R. 5038. An act to authorize the attendance of the United States Marine Corps Band at the national assembly of the Marine Corps League to be held at Milwaukee, Wis., September 22 to September 25 inclusive, 1948;

H. R. 5272. An act relating to the compensation of certain railway postal clerks;

H. R. 5330. An act for the relief of W. W. DeLoach;

H. R. 5655. An act confirming the claim of Juan Berrar to certain lands in the State of Louisiana, county of Attakapas, now parish of St. Martin said claim being listed as No. B-690 in the report of the commissioners dated June 1811, so as to include section 2, township 11 south, range 6 east, Louisiana meridian, containing 139.62 acres;

H. R. 5820. An act to aid in the development of improved prosthetic appliances, and for other purposes;

H. R. 5822. An act to establish the Saratoga National Historical Park, in the State of New York, from the lands that have been acquired by the Federal Government for that purpose pursuant to the act of June 1, 1938 (52 Stat. 608), and for other purposes;

H. R. 5889. An act to extend the provisions of title VI of the Public Health Service Act to the Virgin Islands;

H. R. 5936. An act to provide for the addition of certain surplus Government lands to the Chickamauga and Chattanooga National Military Park, in the States of Georgia and Tennessee, and for other purposes;

H. R. 5957. An act to provide for the establishment of the Fort Vancouver National Monument, in the State of Washington, to include the site of the old Hudson's Bay Co. stockade, and for other purposes;

H. R. 6188. An act to confer jurisdiction over the Fort Des Moines Veterans' Village upon the State of Iowa;

H. R. 6234. An act to authorize the establishment of internships in the Department of Medicine and Surgery of the Veterans' Administration;

H. R. 6239. An act to provide for the suspension of annual assessment work on mining claims held by location in the Territory of Alaska;

H. R. 6246. An act to authorize the transfer of certain Federal lands within the Chopawamsic Park to the Secretary of the Navy,

the addition of lands surplus to the Department of the Army to this park, the acquisition of additional lands needed to round out the boundaries of this park, to change the name of said park to Prince William Forest Park, and for other purposes;

H. R. 6289. An act to provide for the voluntary admission and treatment of mental patients at St. Elizabeths Hospital;

H. R. 6339. An act to amend the provisions of title VI of the Public Health Service Act relating to standards of maintenance and operation for hospitals receiving aid under that title;

H. R. 6766. An act to amend the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act, as amended, and for other purposes; and

H. J. Res. 411. Joint resolution to authorize the issuance of a stamp commemorative of William Allen White, whose literary genius made such a great contribution in the field of American literature.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2242) entitled "An act to authorize for a limited period of time the admission into the United States of certain European displaced persons for permanent residence, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REVERCOMB, Mr. FERGUSON, and Mr. KILGORE to be the conferees on the part of the Senate.

BEVERAGE INDUSTRY

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to file a supplemental report on the bill (H. R. 6451) to amend the District of Columbia Alcoholic Beverage Control Act to provide for the better control of the alcoholic-beverage industry in the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD and include two news items.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD.

Mr. AUGUST H. ANDRESEN asked and was given permission to revise and extend the remarks he made in Committee of the Whole.

Mr. CHENOWETH asked and was given permission to extend his remarks in the RECORD and include an editorial.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PACE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

FRED E. GROSS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 709)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith without my approval H. R. 2131, Eightieth Congress, "An act for the relief of Fred E. Gross." The purpose of this bill is to remove certain statutory bars as they apply to Mr. Fred E. Gross, a Government employee, so as to permit him to file suit in the Court of Claims for the purpose of recovering from the United States for its use of the invention shown and described in his United States Letters Patent 2,389,358.

The invention disclosed in Mr. Gross' patent relates to a packing box for bomb fuses which he developed while employed as a civilian ordnance inspector at the Arkansas ordnance plant. The development was made at least partially on Government time with Government materials and with the assistance of other Government personnel. Under settled rules of law of the United States the Government, as the employer, became vested with the right of free use of the invention made by Mr. Gross under these circumstances. Further, with respect to Government-employee inventions, the Congress by the act of June 25, 1910, as amended (35 U. S. C. 68), has seen fit expressly to exclude Government employees from bringing claim against the Government in the Court of Claims on inventions made by them while in the Government service. The pertinent part of this statute with respect to Government employees reads as follows:

The benefits of the provisions of this section shall not inure to any patentee who, when he makes such claim, is in the employment or service of the Government of the United States, or the assignee of any such patentee. This section shall not apply to any device discovered or invented by such employee during the time of his employment or service.

The Government appreciates the value of the contribution made to the war effort by Mr. Gross' packing-box invention. However, he is only one of a large number of persons engaged in the services of the Government who have developed valuable inventions or made contributions of note within the scope of their employment. To attempt to reward each of them despite the rights of the United States in the inventions concerned in each case would defeat the purposes of the acts of March 3, 1883, as amended (35 U. S. C. 45), and of June 25, 1910, as amended, supra, and would be impractical. Further, the present bill by permitting Mr. Gross to maintain his suit despite the otherwise complete right of the Government to the free use of the invention is unfair to others who have made as great or greater contributions to the war effort under similar circumstances and who are denied this right by statute.

I am, therefore, obliged to withhold my approval from the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, June 10, 1948.

The SPEAKER. The objections of the President will be spread at large upon the Journal and the bill and message referred to the Committee on the Judiciary and ordered to be printed.

CIVIL FUNCTIONS APPROPRIATION BILL, 1949

Mr. ENGEL of Michigan. Mr. Speaker, I call up the conference report on the bill (H. R. 5524) making appropriations for civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1949, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 11, 1948.)

The SPEAKER. The gentleman from Michigan [Mr. ENGEL] is recognized.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from Michigan yield for a parliamentary inquiry?

Mr. ENGEL of Michigan. I yield.

Mr. RANKIN. Mr. Speaker, as I understand it, the only way to render this report amendable would be to vote down the conference report. Is that correct?

The SPEAKER. The gentleman states the situation correctly.

Mr. RANKIN. May I ask the gentleman from Michigan about some division of time. I would like to have some time against this report.

Mr. ENGEL of Michigan. I am not going to yield any time against the report.

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-five members are present, a quorum.

The gentleman from Michigan [Mr. ENGEL] is recognized.

Mr. ENGEL of Michigan. Mr. Speaker, I wish first to express my appreciation to the members of my subcommittee who have worked diligently and hard on this bill. We began hearings on the 10th of January, and had some 1,400 pages of hearings on the bill. The gentleman from North Carolina [Mr. KERR], the ranking minority member; the gentleman from Texas [Mr. MAHON], the gentleman from Arkansas [Mr. NORRELL], and every member on my side of the committee have cooperated on this bill, worked on it very diligently, and I think we have a very good bill.

The following summary table sets forth the results of our labors very clearly:

Regular and supplemental budget estimates for 1949	\$737,804,300
House bill	606,558,766
Senate bill	708,586,666
Conference bill	641,575,666
Conference bill under budget	96,228,634
Conference bill over House bill	35,016,900
Conference bill under Senate bill	67,011,000

The conference bill brought in here is approximately \$96,228,000-plus below the budget.

Of the \$101,000,000-plus added by the Senate the House conferees conceded \$35,000,000, roughly speaking, to the Senate and the Senate conceded \$67,000,000 to the House.

FLOOD CONTROL—PLANNING FUNDS

The House allowed \$3,000,000 for planning. The Senate allowed \$3,329,000 for planning. The Senate report shows a total of \$2,969,000 allowed for planning but this does not include \$360,000 shown in the construction column but actually for planning. The conference allowed \$3,318,000 for planning but this figure does not include the following amounts allowed for planning in the construction column:

Barre Falls, Mass.	\$20,000
Milton Freewater, Oreg.	10,000
Belton Reservoir, Tex.	70,000
Gorza-Little Elm, Tex.	115,000

Total..... 215,000

Of the \$3,318,000 allowed for planning, the following sums were earmarked for use or not to be used as follows:

TO BE USED

Whittier Narrows, Calif.	\$50,000
Farmington Reservoir, Calif.	45,000
Lucky Peak, Idaho	90,000
Gavins Point Reservoir, S. Dak. and Nebr.	250,000
Eufaula Reservoir, Okla.	400,000
Bear Creek Reservoir, Pa.	200,000
West Fork Reservoir, W. Va.	60,000

Total..... 1,095,000

NOT TO BE USED

Toronto Reservoir, Kans.	—\$30,000
Tuttle Creek, Kans.	—35,000
Boswell Reservoir, Okla.	—30,000
Hugo Reservoir, Okla.	—30,000
Puddin River, Oreg.	—29,000
Gathright and Falling Spring, Va.	—35,000
Salem Church Reservoir	—175,000

Total..... —364,000

RIVERS AND HARBORS—PLANNING FUNDS

The House allowed \$1,000,000 to be distributed by the Corps of Engineers among projects listed in justifications. The Senate increased the planning figure by \$1,308,000 which included \$176,000 for St. Anthony Falls, Minn., and \$25,000 for Intra-coastal Waterway Apalachee Bay, Fla.—New Orleans district—or a total of \$201,000 which amount was included in the construction column. This explains why the Senate report figure for total planning is shown as \$2,107,000.

In conference it was agreed that a total of \$1,924,000 would be available for planning but this figure does not include \$176,000 for planning carried in the construction column for St. Anthony Falls, Minn. In the conference report the following amounts are earmarked:

Alabama-Coosa River	\$290,000
Arkansas River, Arkansas and Oklahoma	500,000
Bufoed Dam, Georgia	400,000
Calumet-Sag, Illinois	200,000
Columbia River at Foster Creek	42,000

1,432,000

The difference between the \$1,924,000 allowed for planning and the \$1,390,000 earmarked or \$534,000 is to be allocated by the Corps of Engineers among projects shown in their justifications.

been a great deal of doubt and haze hanging over the White House because of the handling of the wage dispute between the railroads and certain brotherhoods.

The Railway Labor Act is intrinsically good and well designed, but if the White House must handle the disputes every time and as in the present instance take over the railroads, then I think it is time that Congress reexamine this whole situation.

In this connection it was my intention to introduce a resolution calling for such a study. However, this morning I was glad to read in the papers that a committee of the United States Senate will undertake to look into this matter and get the facts.

If the Railway Labor Act is not meeting the situation, then it is the duty of the Congress to know why and to adopt such legislation as will be necessary and appropriate. The American people are entitled to have their affairs administered according to law rather than by White House determinations.

I am hopeful a careful examination of the facts will lead to a proper and workable solution.

Stabilization of Agricultural Prices

EXTENSION OF REMARKS

OF

HON. WESLEY A. D'EWART

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 12, 1948

Mr. D'EWART. Mr. Speaker, I am pleased to support this measure to continue the agriculture price stabilization program for another 2 years, with the adjustments and improvements recommended by the committee.

The practice of supporting farm prices near parity as a method of encouraging maximum production of badly needed food and fiber has been invaluable during the years of the war and the chaotic postwar period. Although the war is finished, we find ourselves still involved in international affairs of great complexity. We are far from any semblance of a normal, peacetime economy as we have known it. Food has become a weapon in international conflicts, and our farmers still must be called upon to produce all they can. With the future still uncertain, the world still unsettled, it is necessary and proper that the successful farm price support program should be continued. It is easy to understand the difficulties the committee has met in its efforts to work out a long-term program which would serve the present unusual period as well as the future peacetime needs of our country. This bill is an admirable bridge between our war program and the long-term program we can expect to work out in 1949.

I am glad that the support of wool has been included in this bill. The effect of government policy on wool during the war was to shake our domestic wool in-

dustry to its foundations. It has not yet fully recovered. This support is essential to it and to the economy of many Western States where wool is produced.

College and University Building Needs

EXTENSION OF REMARKS

OF

HON. JOSEPH R. BRYSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 12, 1948

Mr. BRYSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein a report following a survey made by Drs. Ernest V. Hollis and J. Harold Goldthorpe, specialists in higher education in the United States Office of Education, on the building needs of colleges and universities in the United States:

COLLEGE AND UNIVERSITY BUILDING NEEDS

(By Ernest V. Hollis and J. Harold Goldthorpe, specialists in higher education, U. S. Office of Education)

American colleges and universities now have 341,550,000 square feet of building space and need an additional 265,000,000 square feet in order to accommodate enrollments anticipated by 1950. This proposed increase of 78 percent in the present college plant is approximately equivalent to 133 Empire State or 76 Pentagon Buildings. At 1948 prices the additional space would cost approximately \$2,650,000,000. With land, equipment, and miscellaneous costs added, the total would exceed \$3,500,000,000. In addition, provision must be made for obsolescence cumulated during the war, for the customary loss of buildings by calamities, for higher educational standards, and for the plant needs of new institutions. These capital costs added to the preceding estimates would bring the total to \$5,000,000,000.

The demand for more educational and residential housing has been brought about by the enrollment of nearly a million more students than the prewar plants accommodated. The shortage has been intensified by the inability to replace obsolescence or losses of buildings during the war, and by the necessity for housing new programs required in providing education for veterans. College plants built for a prewar peak gross enrollment of 1,500,000 students, were in the fall of 1947 accommodating in some fashion a total of 2,340,000 students, and college officials expect a gross enrollment of 2,675,000 students by 1950.

SPACE PER STUDENT

Gross figures on building space in relation to enrollment are more easily comprehended when they are shown as the number of square feet of space per student. This ratio is more accurate, for the country as a whole and, with a dozen or so exceptions, for individual institutions, if it is expressed in terms of full-time enrollment at a given period instead of by cumulative annual enrollment which does not reflect the number of students enrolled at any one time and which also usually includes part-time and extension students. Buildings and equipment obviously are needed only for the largest number of students present at any one time. Such ratios are also made more meaningful by separating residential from educational space because institutional responsibility for the two types of housing is determined by different general and local factors.

In 1947, colleges had approximately 40 percent less educational and residential space per full-time student than they had in 1940, the prewar peak of enrollment. The 210 square feet per student for the year 1940 is not based upon actual census of building space but is estimated upon the assumption that the colleges in 1940 had substantially the same amount of building space reported in March 1947. If the increase in gross space needed is erected by 1950, institutions of higher education will then have 14 percent less space per full-time student than it is estimated they had in 1940. Full-time student figures of 210 square feet for educational space and 100 square feet for residential space indicate estimated prewar status rather than standards or norms that are recommended for judging the quantitative adequacy of future buildings.

PLAN OF SURVEY

Summary figures in the preceding paragraphs and the more detailed analysis which follows were made possible through a survey of existing and needed building space conducted by the veterans' educational facilities program. The VEFP, administered jointly by the Bureau of Community Facilities of the Federal Works Agency and the Division of Higher Education of the Office of Education, has responsibility for obtaining war surplus buildings, equipment, and supplies for schools and colleges which require them in providing programs of education for veterans.

The VEFP asked 1,386 participating colleges, which enrolled 96 percent of the Nation's 1947 college population, to list their present and needed (by 1950) building space by uses (classrooms, laboratories, storage, etc.) and to relate the total to actual and expected enrollments up to 1960. Institutions which enrolled the unreported 4 percent of college students are estimated to have 16,000,000 square feet of space and probably will not need additional buildings for expansion.

RESIDENTIAL SPACE

According to the 1947 VEFP survey, approximately one-third of the total building space was in the form of residential housing for students and staff members. One-fourth of the colleges and universities do not maintain any form of residential housing. Among colleges which provide such facilities, the character and amount of living quarters seem to be determined by size and character of the community, location, institutional resources, institutional policy, and type of institution.

Due to the factors mentioned above, the space per full-time student is not nearly so meaningful an index for residential space as it is for educational space. Nevertheless, there may be some normative value in knowing that in 1947 there was 67 square feet of residential housing per full-time student enrolled (not per student housed). Additional space needed, together with present space, brings the total of residential space in 1950 to approximately 100 square feet per full-time student.

In table 1 are presented for the four major groups of persons housed, present residential space, additional space needed, and the total of the two categories. If the colleges succeed in constructing the additional residential space needed to accommodate their enlarged student bodies, the proportion of space available to the different groups housed will vary only slightly from the 1947 pattern of distribution. It must be remembered that the 1947 pattern of housing differed markedly from the 1940 pattern because of the large volume of temporary housing provided by the Government for married veterans.

TABLE 1.—Combined present and additional residential housing space needed by 1950

[Gross space in thousands of square feet]

Type of residence	Combined present and needed		Present		Additional needed	
	Amount	Percent	Amount	Percent	Amount	Percent
	2	3	4	5	6	7
Total.....	\$214,629	100.0	\$119,060	100.0	\$95,569	100.0
Single students.....	138,627	64.6	80,677	67.7	57,950	60.6
Married students.....	43,364	20.2	20,182	17.0	23,182	24.3
Faculty members.....	27,317	12.7	14,784	12.4	12,533	13.1
Miscellaneous.....	5,321	2.5	3,417	2.9	1,904	2.0

In order to get an estimate of the change in outlook and building activities of college officials between March and October 1947, and to sample the effect of inflation in building costs on the actual expenditure of available funds, the Veterans Educational Facilities program made a spot check on the situation in 106 colleges and universities located in 43 States. These institutions, evidently in better circumstances than the average, had approximately one-fourth of all educational space available in 1947 and enrolled one-fifth of the students then attending college.

Data from this resurvey indicated that the 106 colleges had added 4,130,000 square feet of their residential facilities. Moreover, they also added 5,500,000 square feet to the March 1947 estimate of needed residential housing. Thirty of these institutions reported that they had been authorized to issue revenue bonds for self-liquidating projects, mostly dormitories. These colleges, which are not waiting for gifts or appropriations to finance their needed residential housing, have obtained authorization to issue \$42,300,000 of such bonds. During the calendar year 1947, they sold \$18,500,000 of the total amount authorized.

EDUCATIONAL SPACE

Educational space is used, in the absence of more exact nomenclature, to include all college structures other than residential housing for students and staff members. The 223,500,000 square feet of present educational space, for example, includes maintenance, service, and other auxiliary space as well as that used for instruction, research, and administration.

Architects and contractors, as well as college administrators, plan buildings and esti-

mate costs primarily in terms of the use of the building space. In projecting building needs for a specific institution it is important, therefore, to know the amount of space per student commonly allocated for classrooms, laboratories, offices, libraries, and for similar facilities. It is therefore valuable for normative purposes to know the prevailing national pattern of building space according to major functions.

In table 2 are shown, by 12 common categories of space use, the distribution of gross space and space per full-time student for the present buildings, and needed additional space. The publicly controlled institutions at present have 54 percent of the total space, and a predominant proportion of the instructional shop and miscellaneous space, while the privately controlled colleges have 55 percent of the library and study hall space. In the distribution of the present total educational space among the 12 categories, about one-fourth is in the form of classrooms, about one-fifth in laboratories and instructional shops, and about one-tenth in gymnasiums. No other category shows so much as 10 percent.

Of the additional educational space needed by the institutions by 1950, approximately three-fifths is required by the publicly controlled institutions. Table 2 shows the most pressing needs are for classrooms, laboratory, gymnasium, library, and student center purposes, in the order named. The privately controlled institutions report the need for similar facilities. Columns 8 and 9 show combined present and needed space in gross figures and on a per student basis. The pattern of combined present and needed space distribution is not markedly different from that of the present educational space.

TABLE 2.—Present, needed, and combined educational space according to use

[Gross space in thousands of square feet]

Use of space	Present building space				Needed additional space		Combined present and needed space	
	All institutions		Publicly controlled institutions	Privately controlled institutions	Publicly controlled institutions	Privately controlled institutions	Total	Per student
	Total	Per student						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All facilities.....	222,489	126	119,738	102,751	100,044	69,231	391,764	182
Classroom.....	52,740	30	26,267	26,473	22,212	14,044	88,996	41
Laboratory.....	35,563	20	19,330	16,234	19,164	11,396	66,123	31
Instructional shop.....	7,025	4	5,297	1,728	5,929	1,677	14,631	7
Administrative and faculty office.....	19,165	11	10,155	9,010	6,072	4,249	29,486	14
Library and study hall.....	17,054	10	7,701	9,353	7,416	6,730	31,200	14
Cafeteria and food service.....	11,851	7	5,848	6,003	4,083	3,357	19,291	9
Gymnasium.....	24,868	14	13,401	11,467	11,076	10,725	46,669	22
Auditorium.....	10,102	6	4,935	5,168	4,485	4,330	18,917	9
Student center.....	7,059	4	4,131	2,927	7,182	4,412	18,653	9
Infirmary.....	7,418	4	3,673	3,744	3,263	2,634	13,315	6
Service and maintenance.....	12,539	7	7,074	5,465	4,879	3,014	20,432	9
Miscellaneous.....	17,105	9	11,926	5,179	4,284	2,663	24,052	11

SPACE PROVIDED BY THE COLLEGE

College officials, in March 1947, had no assurance of funds to provide three-fourths of the educational buildings they reported as needed. The 16,500,000 square feet of temporary space provided by the Government was admittedly a costly stopgap measure. Even though it is generally acknowledged that some of the temporary buildings will be in use 25 years hence, it is equally clear that most of them must be replaced in from 5 to 8 years. Therefore, unless funds for permanent construction become available at an accelerated rate, colleges will be able to do little more by 1950 than replace temporary buildings, buildings obsolescent when we entered the Second World War, and buildings normally lost by fire and other major calamities.

Subsequent events indicate that college officials were both timid and conservative in estimating the additional funds taxpayers and philanthropists were willing to provide. The February 1948 issue of *Fortune* estimated that the privately controlled colleges of the country alone are attempting to raise \$2,000,000,000 for endowment and capital-outlay purposes. Moreover, since the close of the war State legislatures and other tax-appropriating bodies have been asked to appropriate an equal amount for capital-outlay purposes. California, for example, made capital-outlay appropriations of \$91,700,000 for the 8 units of its university and \$22,250,000 for the 12 State colleges. Data from the partial survey showing changes between March and October 1947 indicated that the 106 institutions reported \$240,300,000 available for capital-outlay purposes and that \$80,250,000 of this amount was under contract or in actual construction. Nevertheless, in March 1947 the college leaders of the 1,386 institutions reported available resources which would provide only \$275,000,000 worth of educational buildings.

Shifts in the building activities and intentions of the 106 institutions between March and October 1947 are indicated by the fact that approximately 3,000,000 square feet of additional educational space had been completed. This represented an increase of 5.3 percent over the educational space available in March. Moreover, within this 6-month period these institutions added 5,280,000 square feet to the space for which they had assurance of funds for early construction. Furthermore, the sights of their leaders had been raised to the point of adding 17,663,000 square feet of needed space for which at the time they had no plans for financing.

CONCLUDING STATEMENT

A composite picture of college and university building needs by 1950 has been made from the generally conservative reports of presidents and business officers. It is not the picture of an ideal plant required to provide suitable college programs for all qualified individuals. It is the amount of space practical administrators believe is required to provide educational and residential housing for prevailing programs of higher education for the 2,675,000 students expected to be in attendance in 1950.

The \$64 question, which the VEPF survey does not attempt to answer, is how will colleges get the \$3,500,000,000 required to complete and equip the additional buildings needed or the \$1,500,000,000 likely to be required for replacements, for meeting higher standards, for colleges not covered by the survey, and for new college ventures. Since two-thirds of the educational and residential building space is sought by tax-supported institutions, presumably that proportion of the cost will be sought from taxpayers.

In the same issue the chairman of the GOP finance committee says, "The stakes are too high to take any chance on not winning."

The stakes are certainly too high to take a chance on another Harding. Harding led the Nation back to isolationism, and the short-sighted policies of the men around him prepared the way for boom and bust. The evil consequences came in a terrible depression and a more terrible war.

Succeeding columns will be devoted to an appraisal of the men and the issues at Philadelphia. The choice to be made there may well be as momentous as that which was made in the same city in 1787.

Can America Defend Itself Against the Communists Within Our Gates?

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 12, 1948

Mr. MUNDT. Mr. Speaker, H. R. 5852, the so-called Mundt-Nixon bill to control Communist activities in the United States, is now before the United States Senate. Its final fate will be determined by that body within the next week unless Congress continues beyond the anticipated recess date. Millions of Americans are hoping that the Senate will not approach its recess without acting favorably on this legislation to do something at home about the Communist threat against which we are presently spending billions of dollars abroad.

The enclosed editorial from the Brooklyn Tablet, published in Brooklyn, N. Y., is one of a great host of editorials supporting this legislation and urging action on it before adjournment.

[From the Brooklyn (N. Y.) Tablet]

CAN IT BE DONE?

As this is written the destiny of the Mundt-Nixon bill to halt the aggression of communism is uncertain. If it is passed by the Senate and if it is signed by President Truman and if its enforcement is not sabotaged by agents of communism in the Government, the measure will rank as one of the greatest achievements in the history of American freedom from foreign domination. Up to the present, the Communists have successfully wrecked or rendered ineffective every attempt on a major scale to hamper their program.

The Reds realize better than anyone else the threat to their anti-American activities in the Mundt-Nixon bill. No other single object has drawn out so many of their pressure devices. Over 30,000 telegrams alone deluged members of the Senate Judiciary Committee in opposition during its hearings on the measure (about 300 telegrams and letters supported the bill). Thousands of prominent, but misinformed dupes, self-labeled "liberals," and others whose positions make them sensitive to Communist disapproval, have been enlisted to fight the measure. Tons of paper have been put into pamphlets, leaflets, and throw-aways to sway the public by outright lies about the bill. All other matters of moment to the Communist Party have been thrust into the background until the Mundt-Nixon bill is killed.

Obviously, the reason for the all-out job to prevent the enactment of the measure is that the House Committee on Un-American Activities has produced a weapon capable of

stopping communism in America. Denunciations of communism in resolutions, speeches, and editorials cause little annoyance to the Reds, for words without action don't harm them. Opposition to their influence and leadership in particular projects, such as unions, tenants' and consumers' groups, and so on, call for strong action in a limited field, but the techniques of handling that form of opposition are well mastered by the Communists. Exposure through the publicizing of what they want kept secret, such as is being done in Counterattack, the World-Telegram, and in these columns, is a real obstacle to the Moscow-dictated program. But none of these is the threat to all Communists everywhere in the country that the Mundt-Nixon bill is. They will, therefore, kill the bill, if they can, before the public wakes up and realizes that the measure is the most effective means yet discovered to save America from foreign rule.

Stabilization of Agricultural Prices

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 12, 1948

Mr. JENSEN. Mr. Speaker, I rise in support of this bill and to pay my compliments to the Agriculture Committee of the House who wrote the bill. I am sure that if everybody would take the time to study the good effects which the 90 percent of parity on basic farm crops has brought about for not only the farmers of America but also for all the people there would be no opposition to this legislation.

We must bear in mind that to have national prosperity the farmer of America must receive a good American price for his products, for the very simple reason that our research into the records of the past 25 years has proven without a question of doubt that the annual national income is always just about exactly seven times the farm income. This is due to the fact that the farmer produces new wealth each year, because the things he produces are consumed either in the same year they are produced or the year after which is not true of manufactured products known as durable goods.

For example, the gross farm income for 1947 was around \$30,000,000,000 and the national income was around \$210,000,000,000.

Now, Mr. Speaker, you will recall that from the years 1920 to 1940 the American farmers received a little less than 80 percent of parity for his products, so it is little wonder that not only the farmer but also the entire Nation was in a constant depression during those years, and that until we began preparing and producing armaments of war in 1940 our unemployed numbered from seven to twelve millions. That must not happen again, and it cannot happen, if prices on farm commodities are kept on a fair price level which this bill will provide.

I, like many other Members of Congress from farm States, have been severely criticized year after year by Members of Congress who represent large

industrial cities for our support of this sort of legislation because it raises the cost of living, but let me remind them once again that good wages are wholly dependent on good farm prices as a study of the past has proven. Consequently, I certainly do not apologize to anyone for supporting this bill, just as I have supported without exception the full amount of funds requested by the Agriculture Subcommittee on Appropriation for REA, soil conservation payments, soil conservation service, and commodity loans to farmers all during my 8 years in Congress while the Democrats were in control and the last 2 years under Republican control for the reasons earlier stated in my remarks today and on many previous occasions, due to my constant interest and study of our economic problem over the past decade and more.

I am sure that anyone who has even a fair conception of what is required to support a \$40,000,000,000 annual Federal administration expense knows that we must do everything possible to insure a national income of at least \$200,000,000,000 in order to collect enough revenue to keep our United States Treasury solvent and to avoid taxing the American people into bankruptcy.

While at the same time, as all my colleagues well know, I have vigorously opposed all unnecessary, wasteful spending of the taxpayers' dollars, this bill which guarantees 90 percent of parity for basic farm crops must be extended in order to insure our national solvency.

The GOP (Grand Old Politics) Tax Bill

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 12, 1948

Mr. FORAND. Mr. Speaker, under leave to extend my remarks, I include an article on taxes which I wrote and which was published in the March 1948 issue of the Democratic Digest. The article follows:

THE GOP (GRAND OLD POLITICS) TAX BILL

(By AIME J. FORAND, Member of Congress)

The Republicans had a "field day" in the House of Representatives on February 2, 1948.

Operating under a gag rule, they steam-rolled to passage the iniquitous Knutson tax bill by a vote of 297 to 120.

The bill provides a tax cut of \$7,000,000,000, of which nearly 46 percent would go to less than 5 percent of the taxpayers.

It is the GOP's third tax bill during the Eightieth Congress. President Truman vetoed the first two, on the ground that they were "the wrong kind of a tax bill at the wrong time," and Congress sustained him. The question now is: What will the Senate do with the bill?

The GOP Rules Committee brought the bill to the House under a rule that waived all points of order against the bill, or any part of it, waived the reading of the bill, and prohibited the offering of any amendment from the floor, except amendments offered

by direction of the Committee on Ways and Means.

This rule prevented the Democrats from changing the bill in any way. It allowed only a motion to recommit the bill with instructions. The Republicans made sure that such a move would not succeed.

At a conference on January 28, every GOP Member of the House was put on the spot by their leaders.

After proclaiming the "virtues" of the Knutson bill, any Member who did not agree to support the bill was asked to stand. Failure to stand meant one was for the bill. For any Member to rise at that time would have invited pressure from the leaders to whip him into line.

All, naturally, adopted the line of least resistance and agreed to vote against the motion to recommit, and in favor of the bill. Only one Republican voted against the bill, a bill to which could well be applied the caustic phrase used by the late President Roosevelt, when he vetoed a tax bill a few years ago, calling it: "A tax bill for the greedy and not for the needy."

Congressman JERE COOPER (Democrat, Tennessee) suggested that the title of the bill should be changed to read: "An act to borrow money and reduce taxes."

Secretary of the Treasurer John W. Snyder said of it: "It is unbelievable that any tax proposal would be seriously promoted that would produce a budget deficit and increase in the public debt of \$2,100,000,000 in the fiscal year of 1949."

His warning, like that of others who place the welfare of the country ahead of the redemption of rash GOP campaign promises, went to naught.

Republicans, in the 1946 campaign, sought votes on the promise that they would cut taxes 20 percent across the board.

The plan was that they would pass rash tax-cut bills in the Republican House and that a Democratic Senate would kill them. They did not expect to control the Senate. The result they thought would redound to their political advantage.

But, in typical Republican fashion, they figured wrong. The voters gave them full responsibility in the Congress.

I was shocked when I heard Republican leaders of the House admit, privately, that they realized that the Knutson bill, in its present form, would never be reported by the Senate, but that they thought it was good politics to pass it anyway.

This confirmed the statement made by former Speaker SAM RAYBURN, that the House GOP were not sincere; that they were trying to fool the people; that they were playing politics.

The GOP are on the spot. They must either repudiate their rash campaign promises, or cut taxes, forfeit their claim of standing for sound finance, and repudiate the Republican platform of 1944, which reads:

"We shall maintain the value of the American dollar and regard the payment of the Government debt as an obligation of honor which prohibits any policy leading to the depreciation of the currency. We shall reduce that debt as soon as economic conditions make such reduction possible."

Elections are only a few months away. So, regardless of the damage this bill may cause to our national economy and the financial structure of the Federal Government, the GOP seeks to make good its vote-getting promises.

Tax cuts made in the higher income brackets means money in their campaign chest. And, corporations must be allowed to make excessive profits because it is corporate dividends that make possible the large contributions from individuals.

These considerations get priority over the fact that our national debt, now at

\$256,000,000,000 is costing us \$5,200,000,000 a year in interest.

The GOP overlook the fact that at the rate of \$2,500,000,000 a year it would take more than 100 years to liquidate that debt.

They give no thought to the fact that a \$7,000,000,000 tax cut might well mean deficit financing, or to the effect this would have on Government bonds now held by 85,000,000 American citizens, insurance companies, banking institutions, etc.

They argue that to continue our economy at its present rate it is necessary that taxes be cut so as to provide incentive for risk capital.

Is this necessary at the present time? As Al Smith used to say: "Let us look at the record."

Treasury Department figures show that in 1939, the last prewar year, there were 3,316,700 operating businesses in this country.

During the war that dropped, in 1943, to a low of 2,860,600. In 1945 the number of operating businesses increased to 3,134,100. In 1946 it jumped to 3,503,900, and in 1947 the number rose to 3,783,600, an increase of about 280,000. Does this indicate that people are scared or that they need tax incentives?

Proponents of the Knutson tax bill oppose reinstatement of the excess-profits tax upon corporations. They don't agree that corporate profits are excessive.

Yet the record shows that corporate profits for 1947, after taxes, were \$17,000,000,000. In 1946, they were \$12,500,000. In 1939, they were \$5,000,000,000. In 1932, the last year under a Republican President, corporate profits, after taxes, were zero. In fact, corporate losses that year were \$3,400,000,000.

A survey of profit figures, made in November 1947 by Guernsey-Montgomery, from published reports of 50 companies, show these companies to have increased their profits, after taxes, in 1947, over their profits for 1946, by 25.9 percent for William Wrigley, Jr., 107.1 percent for Worthington Pump & Machine, 130.6 percent for Johns-Manville Corp., 192.8 percent for St. Regis Paper Co., 233.5 percent for Libby-Owens-Ford Glass Co., and 246.9 percent for General Cable Corp. I emphasize, there are profits for 1947 over 1946 profits, after taxes, in each year.

I want business to make a reasonable profit, but I am opposed to corporations making excessive profits that come from the pocket-book of those who can hardly keep body and soul together.

The Democratic proposal is for a limited excess-profits tax on corporations. Small corporations would be exempt by a specific exemption of \$50,000. The excess-profits tax would apply only to those profits over and above a net exemption of \$50,000, plus an exemption of 135 percent of the credits allowed each corporation during the war. In other words, a corporation with a base of \$1,000,000 would add to that \$350,000, plus the exemption of \$50,000, making a net of \$1,400,000 free of the excess-profits tax. Only about 22,000 corporations would be affected by this tax, and this only because their profits are excessive.

A tax cut is necessary now because there is a lack of investment capital for the expansion of business at this time, representatives of business argue.

Well, again, let us look at the record: A Securities and Exchange Commission press release of January 13 reveals that expenditures for new plants and equipment of business in the United States in 1947 (for manufacturing, mining, railroading, other transportation, gas and electric utilities and other businesses), amounted to \$15,680,000,000. This compares with \$5,200,000,000 in 1939. In other words, expenditures on plants and equipment in 1947 were more than three times that expended in 1939, the last prewar year.

Secretary of Commerce Averell Harriman, when he was before the Ways and Means Committee on January 19, commenting on the question of availability of funds said: "We have two sets of data which bear on this point."

"The first set shows the sources of saving and their use for investment purposes in 1947. Total investments amounted to \$39,000,000,000, of which \$30,000,000,000 was domestic investment, and the remaining \$9,000,000,000 represented our net foreign investment. The foreign investment includes, it should be noted, \$5,000,000,000 of goods financed by Government loans."

"In 1947, corporations expended \$14,500,000,000 on plant and equipment, \$7,000,000,000 on enlarging their inventories, and added roughly \$5,000,000,000 to their trade receivables. This aggregate of \$26,000,000,000 was financed by approximately \$15,000,000,000 of retained profits and depreciation reserves, \$4,000,000,000 of net capital issues—that is, new issues in excess of pay-offs—and \$3,500,000,000 of bank loans, as well as by a \$1,000,000,000 increase in trade payables, a \$2,000,000,000 increase in other payables, and a \$1,000,000,000 reduction in liquid assets."

"It appears, therefore, that to finance \$26,000,000,000 in capital requirements, corporations needed to raise not much over \$7,000,000,000 through new issues and bank loans, nor were they compelled to reduce their liquid assets to a significant extent, as had been the case in the previous year."

High taxes retard business advancement, the Republicans say. But the New York Herald Tribune (Republican) on January 2, last, published a review of 1947 which refutes the GOP argument.

It reported: That farm income in 1947 was \$18,000,000,000; in 1946 it was \$15,200,000,000, and in 1939 it was \$4,500,000,000; that the gross national production for 1947 was \$235,000,000,000; and that the national income for 1947 was two hundred to two hundred and twenty-five billion dollars; that approximately 60,000,000 workers are gainfully employed, and that their present wages is at the rate of \$130,000,000,000. In 1946 it was \$116,800,000,000 and in 1939 it was only \$47,800,000,000.

The Republicans argue, rightly, that savings—the real source of investment capital—has dropped considerably.

The New York Herald Tribune of January 2 reveals that the 131 savings banks of New York grew from \$5,500,000,000 in 1941 to \$9,700,000,000 on November 30, 1947 (an increase of 76.5 percent). The peak rate of increase for net savings deposits was reached in 1945, when increases amounted to \$1,100,000,000. In 1947 the gain was only \$470,000,000, or 48 percent below the gain in 1946.

The fact is that people with low incomes have to withdraw their savings to supplement their current income to meet the high cost of living, while those with high incomes continue to pile up savings.

How does business look upon the future? Here are a few examples:

General Electric, in 1947, exceeded all peacetime production records. Its sales in 1947 exceeded the estimated goal of \$1,000,000,000 by 20 percent. Charles E. Wilson, the president, estimates 1948 will exceed 1947 production by another 20 percent.

Westinghouse Electric production reached a rate of \$800,000,000 in 1947 and expects greater gains in 1948.

The machine tool industry had a volume of \$300,000,000 in 1947 and expects to pass this mark in 1948.

Freight-car builders have set a target of 10,000 cars a month during 1948. On December 1, 1947, they had orders for 125,395.

Business is doing well, but as President Truman said in his state-of-the-Union message, "Certain adjustments should be made within our existing tax structure that will

pressionable age, and subject them to the training and indoctrination considered advisable by some military bureau in Washington.

We can be sure that under President Truman that bureau would be infected with New Deal doctrines as it was during the war, and the youth of this country would be trained to a military approach to all questions. It would be literally the regimentation of our children.

Furthermore, there is every sign that the President would return to the same soft policy toward communism which was followed by his predecessor, the policy which placed Russia in the powerful position it occupies today, and introduced Communist influence into every labor union and Government department.

MISCONCEPTIONS ARE ALLEGED

In the President's speech at Chicago he showed a complete misconception of the dangers of communism. He opposed all legislation to check the spread of communism in the United States. The only remedy he can think of is the passage of social-welfare laws, price-control laws, and a planned economy. He doesn't seem to realize that communism is an organized, world-wide conspiracy directed from Russia and using every means, legal and illegal, to extend its influence and power in the United States.

Certainly, we cannot make it a crime to be a Communist, but we can legislate against every activity which goes beyond the constitutional protection.

We are all in favor of social-welfare legislation. I have drafted and supported proposals for Federal aid to education, to housing and to health. I am for these measures because I want constantly to improve the condition of the American people.

But this program is a pretty slow method of meeting the crusading campaign of communism today. This is the kind of talk which the New Dealers engaged in while they encouraged the spread of communism throughout the world and in the American Government itself.

For 14 years the New Deal has been apologizing for conditions in this country and advocating the adoption of socialist and social-welfare measures invented in Europe where they have usually failed.

We want a government which will tell the world what our system has accomplished, not what it has failed to accomplish. That kind of government can prove to the world that American principles have already produced a higher standard of living and a greater production than any socialistic country has ever seen.

REPUBLICAN STUDIES STRESSED

The President attacks the Republican Congress because it has not enacted as much legislation relating to civil rights and housing and education and health as he recommends. The Republicans have been in power a little over a year and they have made extensive studies and progress in every one of these fields even if the exact remedies advocated by the President have not been adopted.

It hardly lies in the mouth of the President to accuse them of failure. The New Deal has been in power for 14 years. It has boasted of its interest in social-welfare legislation. It has promised the people social security and free lunches, and yet today the President admits that it has utterly failed in its much vaunted programs to improve housing, education, and health.

Every one of these subjects is complicated and difficult and requires careful study to work out the proper relationship between the Federal Government and local communities. The New Dealer always tries to give complete power to some Washington bureau to tell the States and localities how to run

their programs and direct the lives of the people who may get the benefit of Federal assistance.

Look at their program for nationalized medicine. We Republicans are working out constructive programs which retain local control and responsibility, retain the freedom of the medical profession, retain the freedom of the people themselves to live their own lives.

HOME RULE PROGRAM UPHELD

It is to the credit of Congress that we are determined to develop the right method of working out these programs in a manner consistent with liberty and equal justice, and local home rule.

The President talks of his farm program. The Senate created a committee which studied and developed a farm program before we ever heard from the President. He never had a farm program until we wrote one, and he has none now. It is easy enough to state general principles of dealing with agriculture, but hard indeed to get general agreement on details. Our program is contained in a bill to be considered by the Senate next week.

If the President had his way, we would return to a regimented agriculture with full power to the Government to limit production and tell every farmer what he can plant and what he can't plant. Here again we are trying to work out stability for farm prices with little Federal control or limitations on production.

If the President were reelected with a Congress of his own choosing, that would be indeed a rubber-stamp Congress. In his blanket condemnation of Congress, we see his determination to write the congressional program. It is an effort not only to condemn this Congress, but to discredit the institution of Congress. It is an attack on the principle of representative government itself.

As such, it gives aid and comfort to all those who want to destroy representative government as do the Communists, Fascists, and every believer in a totalitarian state. The institution of Congress, the direct representatives of the people, is the great bulwark of liberty. Where legislatures have been suppressed by a strong executive, freedom has died.

There would be little left to that bulwark of liberty under a President whose attitude toward the people's representatives is that exhibited in the recent performance on the west coast.

PRESIDENT'S VETOES ASSAILED

The President has chosen to veto the most constructive measures adopted by this Congress in labor legislation, and taxation, and scientific research. Many are urging that Congress stay here to deal with those important problems which are still before the American people. There is little use in our working day and night to complete constructive programs when we have a President whose attitude toward Congress and its philosophy is that of President Truman.

There is little use remaining here to face the vetoes of a man who does not understand the difference between American principles of free government and communism, who does not understand the threat of totalitarian control. We had better adjourn now and appeal to the people in November for a vote of confidence in the election of a President who will cooperate in our programs.

Our only hope of winning the great ideological war today is to elect an administration which abhors regulation and spending and Federal power, which believes in liberty, equality, and justice, which believes in the success of the American system, which is prepared to spread American philosophy throughout the world, to meet the Communist crusade with an American faith.

We did it after 1776, and we can do it again. Under such an administration alone can we hope for continued progress in the United States; under such an administration alone can we hope for peace and security throughout the world.

Support Prices for Agriculture But No Minimum Wage Increase for Labor

SPEECH
OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 11, 1948

Mr. SABATH. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, this is an extension of the New Deal legislation, and I want to congratulate some of you gentlemen, for again you have proved that you are in favor of legislation that you have criticized and assailed in days gone by. This relief legislation was necessary at that time because of the farmers, due to the unfortunate Republican maladministration, received very little for their crops. People were out of employment and could not even buy at the then low prevailing prices. But, today, the farmer really does not need this encouraging and support-price legislation because prices are higher today than what was then sought by many of you who strenuously fought for parity prices.

Today nearly all agricultural products are way above parity. Consequently I do not know why this legislation is necessary. It will extend price support up to 1950.

Surely, notwithstanding the failure and the unfortunate lack of legislation by the Republican majority in the interest of the people of the country, I feel that there is no danger that the prices of agricultural products will go down. I do not blame some of you gentlemen representing agricultural districts for wanting higher and higher prices for the farmers. Formerly you insisted that higher prices were necessary in order to stimulate the farmers to produce more. The fact is that the farmers have made greater profits in the last 6 years than ever before in the history of our country. Most of them have paid off their mortgages and have more money in the bank than they ever dreamed they would have. So I do not see why this legislation is necessary.

I realize that some of the things we are trying to legislate for in the interest of some of the products like cotton, tobacco, rice, and even peanuts are of great benefit to the growers of these products, and the legislation may also benefit some of the growers of the other two major products, corn and wheat. However, I believe that the wheat and corn growers feel that they are receiving such a high price, a price that they never even remotely anticipated to obtain for their corn and wheat, that they do not ask for this legislation at this time. They feel

that in view of the fact that you have repealed price control they do not have the nerve to come here and ask for price supports on the products they grow.

If you gentlemen who are advocating this legislation would be fair you would say to yourselves that in view of conditions, in view of the high cost of living, that has gone up nearly 50 percent in the last 18 months since the Republicans came into power, we should not do anything that would cause these high prices to continue going higher, as they have from month to month. You do not seem to realize that it is impossible for the ordinary man to maintain himself and his family, because of the high cost of food and the high cost of the necessities of life. But it seems to me there is a certain amount of selfishness and I realize, of course, there is some selfishness in all of us. I am also selfish to the extent that I should like to bring down the high cost of living for the wage earners and the people of lower incomes. I have spoken frequently against the unfair high prices. I have voted to help the farmers when they needed my help. I remember when the prices of corn, wheat, and cotton were about 25 percent of what they are now, and the farmers could not exist under Hoover's administration, and their farms were being foreclosed and taken away from them. I, in conjunction with others, advocated legislation to help the farmers, but I never dreamed that the situation would develop to such a point that the farmers would receive not only twice as much but four or five times as much for their crops as they did then and that they would insist on still further increasing prices, to such an extent that the wage earners of this country would find it extremely difficult to exist on the wages they are receiving.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from North Carolina, who has always been very interested in his district and in the farmers of the country.

Mr. COOLEY. The gentleman does not believe that this particular legislation contributes to the high cost of living, does he?

Mr. SABATH. I believe that we are guaranteeing the prices so that they will not go below 90 percent.

Mr. COOLEY. That is at some future date.

Mr. SABATH. This is a stimulant, and it will assure the farmers of a higher price. Consequently the people, the tradesmen, and the manipulators of these agricultural products who handle these articles wholesale, and who manipulate the market will see to it that the prices will remain high. There is no immediate sign that the prices are going to come down because we were in hopes—I was not, I will admit—but instead of adopting legislation that would reduce high prices, you gave the manufacturers and the industrialists the privilege and right to voluntarily control prices. You made the people believe that you would keep your promise to arrest the increased cost of living, yes, to bring about reduction in prices. I did not have that confidence. I know

these birds, and I know what they would do. They did just what I feared they would do. They started to increase prices instead of reducing them, and if you had had the interest of the consumers at heart, you would not have given them the right to fix prices in their own interest and against the interest of the consumers. As it is, prices today are higher than ever before, and it makes it almost impossible for people of low income to live or even exist.

Mr. COOLEY. The gentleman knows the prices now being received will not be affected by the legislation now under consideration, because this legislation only provides a floor below which commodity prices may not go.

Mr. SABATH. In view of that statement, I might say that they may not go below a certain level because we will guarantee the prices. If this guarantee would not be forthcoming, the prices might come down so that the cost of living would be reduced generally.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. HOLIFIELD. It is true, and I believe the gentleman will agree that the Congress passed the Taft-Hartley bill, the purpose of which was to cripple organized labor so that they could not maintain by collective bargaining the floor under their wages, and it wrecked price control so that there is no ceiling on the price of food, and so that the price of food could go up and their wages could go down. Now they say they must guarantee production by putting this floor under the price of farm commodities. Is it not true that before this New Deal legislation, this so-called support for farm prices, was ever started that we had more than enough food in America, and that there was an abundant surplus of food for everybody, and that food was cheaper—much cheaper in relation to wages than it is now?

Mr. SABATH. There is no question the gentleman is right about that.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield further?

Mr. SABATH. I yield.

Mr. HOLIFIELD. There is no floor under employment for labor. There is no floor under labor's take-home wages. Now, when the farmers get a surplus of food products why should they not suffer the same results under the free-enterprise system? Let us let this competitive system work in production as the Republicans have legislated in the fields of distribution and consumption.

Mr. SABATH. I thank the gentleman for propounding that inquiry to me. His views coincide with mine. What I want to say, in addition to what the gentleman stated, is that there has been a general demand throughout the Nation, and we promised the laboring people that we would bring about a floor on wages, namely, a 65 or 75 cents per hour minimum wage, but no legislation has been brought in by the Republican majority and I doubt very much whether it will be brought in during the remainder of this session.

Mr. HOLIFIELD. I think we have a 40-cent minimum wage law which has a purchasing power of about 23 cents on

today's market, and there has been no move on the part of the Republican Party to bring out a 75-cent minimum wage bill.

Mr. SABATH. Well, it was promised, but nothing has been done, and I do not expect anything to be done as I have said by the Republican House.

Mr. SADOWSKI. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. SADOWSKI. I want to congratulate the gentleman for the fine statement he has made. I am very much in agreement with everything he has said so far. I, as well as the gentleman from Illinois, for many years have supported these farm programs. I agree with the gentleman it was right to try to help the farmer when prices were depressed and the farmer needed that aid and assistance, and we did come to the aid and assistance of the farmers, but I cannot agree with the gentleman from Massachusetts [Mr. McCORMACK] when he says that we should continue to do this, because I think times have changed. There is no need of this aid and assistance to the farmers. They are getting too much money for the goods they produce. The first problem before the Nation today is the high cost of living, and that is the problem that should be tackled first, and not to come in here and present on this floor today, when prices are the highest in the history of this Nation, a bill which will continue the high prices to the consumers. Our people who live in the cities cannot meet the prices. We have to do something to reduce prices. This would be a better time to talk about price control and reduction in the cost of living. That is why I will be compelled to vote against this bill at this time.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. ABERNETHY. The gentleman would advocate a reasonable minimum wage for the workingman, would he not?

Mr. SABATH. Yes, sir.

Mr. ABERNETHY. Is this not simply providing for a reasonable minimum wage for the man who works out in the hot sun?

Mr. SABATH. Yes, but the farmer is receiving much greater compensation in proportion to the wages of the ordinary wage earner. I am glad of the fact that the farmers have been extremely prosperous. Not only have most of them paid off their mortgages, but they have money in the banks. I am told that in many communities the local banks refuse to accept any more money that the farmers are bringing in for deposit. They do not need relief. But the wage earner, because of the outrageously ever-increasing cost of living is much more entitled to have legislation enacted guaranteeing a 75 cents per hour minimum wage scale. He needs aid. He needs assistance. We owe it to ourselves that we should help out those who need our help and not those who do not need it.

Mr. HOLIFIELD. Will the gentleman yield again?

Mr. SABATH. I yield.

Mr. GAVIN. He has yielded to you twice. He should yield to me.

Mr. HOLIFIELD. The gentleman's question on the minimum wage increase is beside the point, because the very gentlemen who are supporting the support of farm prices have not brought out and probably will not vote for a 75-cent minimum wage. So that question is purely academic.

Mr. SABATH. That I wish to say is, indeed, unfortunate and it is not due to any lack of effort on my part. In that connection may I say—and I want to conclude—that I exceedingly regret that many of these gentlemen who will be benefited, or whose farmers will be benefited under this price-support program, who have had our support and aid at all times when it was needed and many times even when it was not needed, very seldom do I see them or hear them vote with us on matters that are actually in the interest of those who need our aid and assistance and cooperation. I hope—and I have requested this of you many times—that many of you whose constituents will be the beneficiaries of this legislation will occasionally vote with us when we are trying to help the wage earner, the consumer, and the general public. They need our aid more so than do the farmers at this time.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsylvania, because he always has something of interest to say.

Mr. GAVIN. Permit me to make an observation. I am sorry to see that the distinguished gentleman is in sharp conflict with our former majority leader, the gentleman from Massachusetts [Mr. McCormack] on policies here today.

Mr. SABATH. Never mind that; what is the question, please? Time is running.

Mr. GAVIN. I merely asked the gentleman to yield to permit me to make an observation. The gentleman talks like a free enterpriser here today, an advocate of the system where supply and demand govern price; and it is such a contrast to the policy of that I find it difficult to reconcile.

Mr. SABATH. I will explain it to the gentleman. I am for free enterprise but unfortunately the gentleman and most of those on his side are misled in their thinking about free enterprise, for we actually have no free enterprise under today's conditions due to legislation by the gentleman's party in the interest of the trusts and combines who control production as well as prices, and who force small-business men and manufacturers out of business, thus actually destroying free enterprise.

I am for free enterprise. I want to give the little fellow a chance, an opportunity to exist and to live; but these big combines for whom you legislate day in and day out, and these big interests that are taking up the time of this House and the gentleman and his associates are doing all in their power to safeguard, protect, and aid them notwithstanding that they make millions and billions in profits. But the gentleman's party never finds time unfortunately to help the needy and deserving people who should have their support.

REPUBLICANS SUGGEST PEOPLE EAT LESS TO COMBAT HIGH COST OF LIVING

Mr. Speaker, the remedy suggested by one of the Republican candidates for the Presidency to combat the high cost of living was for the people to eat less. Of course, that gratuitous remark was not necessary for the people of low incomes or even of medium incomes. That might apply to those whom the Republicans have at all times aided to accumulate greater profits and who are responsible for the present high cost of living. Today the Republican candidates, instead of being interested in feeding the people with food, are feeding them with the fear of communism and more communism. What a lot of bunk, and this is because their record has been and is such that they cannot go before the American voters and discuss their accomplishments in the interest of the people. If the Republicans had not originally emasculated price control and later bludgeoned the President to yield to their vicious demands, the prices of food would not have increased up to 50 and 60 percent since the Republicans came into power.

Mr. GAVIN. Mr. Speaker, will the gentleman yield further?

Mr. SABATH. I cannot yield further to the gentleman from Pennsylvania. The gentleman from Mississippi, I observe, wants to ask me a question and I yield to the distinguished gentleman from Mississippi [Mr. Colmer], because he always has something worth while to suggest.

Mr. COLMER. I thank my friend for his compliment and I am sure he is not in the position of the Greek bearing gifts, either, when he says it.

The gentleman who has been such an ardent supporter of the so-called New Deal—

Mr. SABATH. I have been and I am proud of it.

Mr. COLMER. Which was responsible for this program in the beginning, certainly is not going to be inconsistent now and oppose its continuation?

Mr. SABATH. No; I am not going to oppose it in the hope that you direct representatives of the farmers will not persist in aiding the big farmers and the manipulators to continue in their avariciousness in boosting to unnecessary heights the cost of their products because this legislation, though it may aid them temporarily, may bring about such a reaction that may be destructive to the present favorable conditions. In that connection, may I call your attention to the fact that about 20 years ago the prices of farm products were continually dropping and that we appropriated \$500,000,000 for the purpose of steadying the market and prices. When the \$500,000,000 was expended, shortly thereafter there was a still greater drop in the prices of farm commodities. Cotton then sold at 6 cents a pound, wheat at 29 cents a bushel, corn at 23 cents, cattle and hogs at 3 cents a pound on the hoof, and the remainder of the farm products dropped to extremely low prices. Consequently, I advised and urged the farmers and their friends not to persist, by artificial means and through Government price support,

to hold the prices way above parity prices that have continuously increased the cost of living to such an extent that many people were obliged to reduce their consumption because the earning power of the consumers made it impossible for them to buy sufficient food to properly feed their families and themselves.

As conditions exist today, unless wages are increased and people are able to continue to buy sufficient food, the prices of farm products and other commodities are bound to go down. We then may find a repetition of the conditions that brought about the crash in 1930, which continued, unfortunately, until President Roosevelt and the Democratic Congress took courageous action to alleviate conditions, putting millions of unemployed to work, which enabled them again to purchase enough food to live decently. Consequently, it is of great importance that an increase in wages be provided the wage earners, which is bound to enure to the benefit of the farmers and to the country in general.

Mr. Speaker, all I am trying to bring home to you gentlemen whose constituents will be the beneficiaries under this legislation is that once in a while you should show some reciprocity or show some consideration to us who always at all times support you in your legislation in the interest of the farmers and our country. I admit that when the farmers are prosperous it is good for the Nation as a whole.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. FULTON. I would like without any bias to ask the gentleman a question. I assume that the gentleman as a Democrat backs up President Truman's policies.

Mr. SABATH. Oh, do not bring in politics, please.

Mr. FULTON. I mean policies, not politics.

Mr. SABATH. What is the gentleman's question?

Mr. FULTON. How can the gentleman explain that President Truman, the leader of his party, wants to hold prices down, on the one hand, by price control, then, as I understand it, favors this legislation to push the prices up, on the other hand? How can those two situations be reconciled?

Mr. SABATH. He deals with the masses, he deals with the consumers of this country. He wants to be fair and just, and that is the reason he is urging and has demanded price control and other legislation that will protect and safeguard these people who are not represented somehow or other by the majority.

Mr. FULTON. How can he control them, then push the prices up?

Mr. SABATH. It is because he feels he should continue to live up to the New Deal principles, he still feels prices are higher than was expected and higher than the parity that was urged. He feels there will be no harm done by this legislation. Now, I have not consulted with him, but I know he means well, and that he has the interest of the country at

heart, not that I agree with him on everything. However, I know that he wants to do what he can to help the masses, the ordinary people, especially the white-collar class, the wage earners, the small-business men, and the actual dirt farmers who need our help and assistance.

Additional Revenue for the District of Columbia

SPEECH
OF

HON. JOHN F. KENNEDY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 8, 1948

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H. R. 6759) to provide additional revenue for the District of Columbia.

Mr. McMILLAN of South Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I would like to speak in opposition to the committee's sales tax, even though I have great respect for the distinguished gentleman from Massachusetts. I take it that this chart fairly proves that the sales tax would put the main burden on the people who cannot afford to pay it.

I say further that Washington is in much better shape than most cities of its size and that it can afford to increase the income tax in place of a sales tax, which is an act of desperation.

If we take the 3-percent sales tax, that means that a person with less than \$1,000 income will have to pay 4.5 percent of his income. As this goes on up, it means that a man with \$15,000 will pay less than five-tenths of 1 percent of their income in this sales tax. If you put on a 2-percent sales tax, exclusive of food, it means that people with less than \$5,000 income will pay more than 1 percent of their income in this tax, but people with incomes of \$15,000 will pay less than five-tenths of 1 percent. With the present income tax, you will find that people with \$2,000 incomes do not have to pay anything, while people with \$15,000 incomes have to pay slightly over 1 percent of their income.

We suggest in Mr. KLEIN's bill that we increase the income tax and exclude the sales tax. So that means that with Mr. Klein's bill an increase in the income tax will take place, which will mean that people with \$2,000 income would not pay anything, and people with \$15,000 income would pay slightly over 3 percent of their income—the people most able to pay.

It seems to me this is an admirable compromise and that this will bring in plenty of income, and it will place the burden on the people most able to pay and yet not much of a burden.

So I hope the bill offered by the gentleman from New York [Mr. KLEIN] will be the bill that is passed by this House.

Mundt-Nixon Bill

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Saturday, June 12 (legislative day of
Tuesday, June 1), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by Mr. Al Fisher, secretary of the Washington State CIO Council, 84 Union Street, Seattle, Wash., with reference to the Mundt-Nixon bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The State CIO Council of the State of Washington represents an important section of the workers in basic industries of the Northwest. Our membership, speaking individually and through its organizations including the State council, have become extremely alarmed at the dangers inherent in the Mundt-Nixon bill, H. R. 5852, which is presently being considered by your committee.

The trade-union movement, built through many years of toil and sacrifice on the part of millions of deserving workers, is an extremely important part of the democratic structure and institutions in the United States. We have built this trade-union movement for the purpose of gaining a semblance of equality of bargaining power with our employers with respect to wages, hours, and working conditions; therefore, our study of the measure which you are now considering leads us to believe that the purposes and objectives of the measure include the destruction of legitimate trade unions.

Such a result could only place the workers in an extremely unfavorable bargaining position with the employers in industries which are combined together in tremendous monopolies.

It is our firm conviction that the necessity for such legislation as proposed in this act is nonexistent. It is our conviction that the laws already on the books are extensive enough to take care of any really subversive activities affecting the welfare and security of our Nation.

The workers of this Nation will in the future, as they have in the past, resist with everything they have any efforts to destroy the democratic institutions of our country as established in the Constitution and Bill of Rights enacted by our forefathers from the very beginning of our Nation. We will further fight to extend that democracy so that we can become an even greater Nation, serving the interests and welfare of all the people regardless of race, color, or creed.

We are greatly concerned with the attempts of proponents of this measure to enact legislation which would classify legitimate activities of our trade union movement as treasonable acts carried on in the interests of foreign "totalitarian dictatorship". It is clear to us that the real meat of this measure is the destruction of free, democratic institutions and organizations in this country. False fears of some nebulous outside conspiracy, are being used as the excuse for repealing constitutionally guaranteed civil rights of the American people. The bill itself is a conspiracy which seeks "the establishment of a totalitarian dictatorship" which could destroy "free, democratic institutions", ruthlessly repress "all opposition to the party in power", and completely subordinate the "rights of individuals to the state". It would deny "fundamental rights and

liberties, characteristic of a democratic and representative form of government", such as freedom of speech, of the press, of assembly and religious worship".

We cannot have both the Mundt bill and the Bill of Rights. Let's keep the Bill of Rights. Nothing in the bill limits the power of the attorney general to issue a decree that any organization is a "communist political organization" or a "communist front organization". This could very conceivably be used to outlaw such legitimate trade union activities as striking, fighting against discrimination in employment, wages, hours, and conditions, or of carrying on educational campaigns designed to acquaint the membership of the unions with voting records of legislators and with the contents of various proposed legislative acts.

It is our opinion that the so-called threats to our democratic institutions comes from the proponents of this legislation who are seeking to cover up their pro-fascist leanings and real purposes by carrying out a hysterical campaign to divert the attention of the people.

Definitions in section 3 of the act of what constitutes a Communist political organization or Communist-front organization and the nature of its activities makes a virtual dragnet of the measure which could conceivably include all trade unions, fraternal orders, churches, political parties, and any other organization of the people in this country.

Paragraph (I) of this section could be particularly aimed at trade unions. This paragraph would outlaw long-established procedures to protect the members of the union by requiring information as to membership and any other business or records of the union which would be made public. Anti-labor employers would utilize such information for the purpose of discrimination. In effect, the proposed bill would make of the Attorney General a stool pigeon for the employers.

Section 13 of the Mundt bill places undue power in the Attorney General by making him the final trier of the facts relative to whether or not an organization is, in fact, a Communist political association, or a Communist-front organization. The bill provides: "The findings of the Attorney General as to the facts, if supported by substantial evidence, shall be conclusive"; though provision is made for appeal from his determination to the United States Court of Appeals for the District of Columbia, and thence on certiorari to the Supreme Court of the United States. Such an appeal is, in fact, an empty one by reason of the restrictions placed upon the courts of appeal. Under this bill, organizations are deprived of a fair, full, open hearing in court and of trial by jury in proceedings wherein criminal liability may result. The courts are restricted to the reading of a cold record prepared by the Attorney General of the United States, and are bound by his findings of fact as to whether or not an organization is Communist. The limited powers of the court are confined merely to examining the record to determine whether there is any testimony or other evidence to support the Attorney General's finding. The courts cannot be concerned with preponderance of evidence, or the question of which side of the case should have been believed by the Attorney General in fairness to the parties concerned. The testimony of one solitary witness is, therefore, sufficient to support the Attorney General in his findings relative to an organization comprising thousands of men.

The role played by the Attorney General under the Mundt bill is almost identical to that of a Deputy Commissioner under the Federal Longshoremen's and Harbor Workers' Compensation Act. This act provides for a similar hearing to be conducted by a Deputy Commissioner for the deciding of claims of

16. GOVERNMENT CORPORATIONS APPROPRIATION BILL. In reporting this bill (see Digest 107), the Appropriations Committee made the following amendments, among others:
- Reduced from \$373,600 to \$223,600 the amount which may be paid to FCA by Federal Intermediate Credit Banks for supervisory or other services.
 - Increased the amount for administrative expenses of production credit corporations from \$1,350,000 to \$1,500,000.
 - Reduced from \$60,000,000 to \$20,000,000 the amount of production credit corporations capital which must be returned to the Treasury.
 - Provided \$150,000 additional to the RACC for administrative expenses.
- The committee report states that \$100,00 of this was included in view of the amendment to the Agricultural Appropriation Bill regarding reentry of the corporation in an area where an economic emergency or production disaster has occurred, and \$50,000 was included in view of inclusion of language authorizing fur-farmer loans.
- Struck out the language which would increase the salary of the FCA Governor to \$12,000. The committee report states, "It is the judgment of the committee that such provisions should not be included in appropriation bills. Furthermore there is a bill pending before the Congress dealing with the salary scale of all Federal employees." Began debate on this bill (pp. 8388-93).
17. ADMINISTRATIVE PROCEDURE; SUGAR. In reporting S. 2755 (see Digest 105), the Judiciary Committee amended the bill to strike out the provision exempting actions under the Sugar Control Extension Act of 1947 from certain provisions of the Administrative Procedure Act.
18. INDIAN RELIEF. In reporting S. 2686 (see Digest 107), the Interior and Insular Affairs Committee amended the bill, which would establish a Navajo-Hopi Indian Administration for rehabilitation of these Indians, by striking out the provisions which would transfer extension functions to the Extension Service and Forestry functions to the Forest Service.
19. INTERIOR APPROPRIATION BILL. In reporting this bill (H. R. 6705; see Digest 107), the Appropriations Committee increased Reclamation Bureau \$27,647,958 and Bureau of Land Management \$668,135. The total increase over the House figure was \$46,486,507, of which \$11,343,000 was in supplemental estimates not before the House. Passed this bill with amendments (pp. 8369-88). Senate conferees appointed (p. 8388). House conferees not yet appointed.
20. FOREIGN AID APPROPRIATION BILL. In reporting this bill, the Appropriations Committee increased the 12-months purchasing power of ECA by \$1,175,000,000 (pp. D646, 8355).
21. APPROPRIATIONS. Received from the President supplemental appropriation estimates for this Department for the fiscal year 1949 as follows: (1) Foot-and-mouth disease research facilities, \$5,500,000, as the first increment of a total of \$30,000,000 for the establishment of such facilities; (2) \$4,800,000, flood-damage repairs to national forest improvements and facilities in Ore., Wash., Idaho, and Mont.; (3) and \$492,000 for Federal cooperation in control of golden nematode in potato and tomato producing areas (S.Doc. 174) (p. 8349).
- Received from the President a supplemental appropriation estimate for 1949 for \$31,800,000 to finance the selective service program to be established by legislation now pending (S.Doc. 175) (p. 8349).
- Received from the President a supplemental appropriation estimate for \$2,393,458.55 for the payment of claims of the several executive departments and independent offices (S.Doc. 177) (p. 8349).
- Received from the President a supplemental appropriation estimate for 1949

45. PERSONNEL. H.R. 4236 amends the Civil Service Act so as to provide that persons with physical handicaps shall not be discriminated against in appointments to positions in the civil service when the Civil Service Commission determines that the duties of such position may be efficiently performed by them. Approved June 10 (Public Law 617, 80th Cong.).

S. 1486 authorizes the payment of salaries for periods during which Federal employees are removed or suspended without pay from civil service and who are reinstated or restored to duty on the ground that such removal or suspension was unjustified; and provides that for all purposes except the accumulation of leave employees shall be deemed to have rendered service during such periods of removal or suspension. Approved June 10 (Public Law 623, 80th Cong.).

COMMITTEE HEARINGS Released by C.P.O.

46. GOVERNMENT CORPORATIONS APPROPRIATION BILL, 1949. H.R. 6481. Senate Appropriations Committee.

47. TRADE AGREEMENTS. H.R. 6556, extending authority to negotiate trade agreements. Senate Finance Committee.

48. FOREIGN AID APPROPRIATION BILL, 1949. H.R. 6801, Pts. 1 and 2. House Appropriations Committee.

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COMMITTEE HEARINGS ANNOUNCEMENTS for June 15: H. Rules, Federal pay bill and housing bill; H. Expenditures in Executive Departments, Federal traffic activities (Ward, BB; and Hayhe, Federal Supply, to testify); S. Public Works (ex.) and H. Public Works, disaster relief; S. Appropriations, independent offices supplemental appropriation; H. Appropriations, 2nd deficiency appropriation (ex.); H. Expenditures in Executive Departments, Reclamation Bureau propaganda activities.

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 113 Adm.

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80TH CONGRESS
2D SESSION

H. R. 6248

IN THE SENATE OF THE UNITED STATES

JUNE 14 (legislative day, JUNE 1), 1948

Read twice and referred to the Committee on Agriculture and Forestry

AN ACT

To authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That, notwithstanding any other provision of law, the Secre-
4 tary of Agriculture is authorized and directed through any
5 instrumentality or agency within or under the direction of
6 the Department of Agriculture, by loans, purchases, or other
7 operations—

8 (a) To support prices received by producers of cotton,
9 wheat, corn, tobacco, rice, and peanuts marketed before

1 June 30, 1950, if producers have not disapproved marketing
2 quotas for such commodity for the marketing year beginning
3 in the calendar year in which the crop is harvested. The
4 price support authorized by this subsection shall be made
5 available as follows:

6 (1) To cooperators at the rate of 90 per centum
7 of the parity price for the commodity as of the beginning
8 of the marketing year;

9 (2) To noncooperators at the rate of 60 per centum
10 of the rate specified in (1) above and only on so much
11 of the commodity as would be subject to penalty if
12 marketed.

13 All provisions of law applicable with respect to loans under
14 the Agricultural Adjustment Act of 1938, as amended, shall,
15 insofar as they are consistent with the provisions of this sub-
16 section, be applicable with respect to loans or other price-
17 support operations authorized under this subsection.

18 (b) To support until June 30, 1950, a price to pro-
19 ducers of commodities with respect to which the Secretary
20 of Agriculture by public announcement pursuant to the
21 provisions of the Act of July 1, 1941, as amended, requested
22 an expansion of production of not less than 60 per centum
23 of the parity or comparable price therefor nor more than
24 the level at which such commodity was supported in 1948,
25 except that Irish potatoes harvested before January 1, 1949,

1 milk and its products, hogs, chickens, and eggs shall be
2 supported at 90 per centum of the parity or comparable
3 price. The comparable price for any such commodity shall
4 be determined and used by the Secretary for the purposes
5 of this subsection if the production or consumption of such
6 commodity has so changed in extent or character since the
7 base period as to result in a price out of line with parity
8 prices for the commodities referred to in (a) hereof. In
9 carrying out the provisions of this subsection the Secretary
10 of Agriculture shall have the authority to require compliance
11 with production goals and marketing regulations as a con-
12 dition to eligibility of producers for price support.

13 (c) Sections 1 and 3 of the Act approved August 5,
14 1947 (Public Law 360, Eightieth Congress), are amended
15 by striking out in each section the date "December 31, 1948"
16 wherever it appears and inserting in lieu thereof the date
17 "June 30, 1950".

18 (d) It is hereby declared to be the policy of the Con-
19 gress that the lending and purchase operations of the Depart-
20 ment of Agriculture (other than those referred to in sub-
21 sections (a), (b), and (c) hereof) shall be carried out so
22 as to bring the price and income of the producers of other
23 agricultural commodities not covered by subsections (a),
24 (b), and (c) to a fair parity relationship with the com-
25 modities included under subsections (a), (b), and (c),

1 to the extend that funds for such operations are available
2 after taking into account the operations with respect to the
3 commodities covered by subsections (a), (b), and (c). In
4 carrying out the provisions of this subsection the Secretary
5 of Agriculture shall have the authority to require compliance
6 with production goals and marketing regulations as a condi-
7 tion to eligibility of producers for price support.

8 SEC. 2. From any funds available to the Department
9 of Agriculture or any agency operating under its direction
10 for price support operations or for the disposal of agricul-
11 tural commodities, the Secretary of Agriculture is author-
12 ized and directed to use such sums as may be necessary to
13 carry out the provisions of section 1 of this Act.

14 SEC. 3. Section 22 of the Agricultural Adjustment Act,
15 as added by section 31 of the Act of August 24, 1935
16 (49 Stat. 773), reenacted by section 1 of the Agricultural
17 Marketing Agreement Act of 1937 (50 Stat. 246), as
18 amended, is hereby amended to read as follows:

19 “SEC. 22. (a) Whenever the President has reason to
20 believe that any article or articles are being or are practically
21 certain to be imported into the United States under such
22 conditions and in such quantities as to render or tend to
23 render ineffective, or materially interfere with, any program
24 or operation undertaken under this title or the Soil Conserva-
25 tion and Domestic Allotment Act, as amended, or section

1 32, Public Law Numbered 320, Seventy-fourth Congress,
2 approved August 24, 1935, as amended, or any loan, pur-
3 chase, or other program or operation undertaken by the
4 Department of Agriculture, or any agency operating under
5 its direction, with respect to any agricultural commodity or
6 product thereof, or to reduce substantially the amount of any
7 product processed in the United States from any agricultural
8 commodity or product thereof with respect to which any such
9 program or operation is being undertaken, he shall cause
10 an immediate investigation to be made by the United States
11 Tariff Commission, which shall give precedence to investiga-
12 tions under this section to determine such facts. Such in-
13 vestigation shall be made after due notice and opportunity
14 for hearing to interested parties, and shall be conducted
15 subject to such regulations as the President shall specify.

16 “(b) If, on the basis of such investigation and report
17 to him of findings and recommendations made in connec-
18 tion therewith, the President finds the existence of such
19 facts, he shall by proclamation impose such fees not in excess
20 of 50 per centum ad valorem or such quantitative limita-
21 tions on any article or articles which may be entered, or
22 withdrawn from warehouse, for consumption as he finds and
23 declares shown by such investigation to be necessary in
24 order that the entry of such article or articles will not render

1 or tend to render ineffective, or materially interfere with,
2 any program or operation referred to in subsection (a),
3 of this section, or reduce substantially the amount of any
4 product processed in the United States from any such agri-
5 cultural commodity or product thereof with respect to which
6 any such program or operation is being undertaken: *Pro-*
7 *vided*, That no proclamation under this section shall impose
8 any limitation on the total quantity of any article or articles
9 which may be entered, or withdrawn from warehouse, for
10 consumption which reduces such permissible total quantity
11 to proportionately less than 50 per centum of the total
12 quantity of such article or articles which was entered, or
13 withdrawn from warehouse, for consumption during a repre-
14 sentative period as determined by the President: *And pro-*
15 *vided further*, That in designating any article or articles,
16 the President may describe them by physical qualities, value,
17 use, or upon such other bases as he shall determine.

18 “(c) The fees and limitations imposed by the Presi-
19 dent by proclamation under this section and any revocation,
20 suspension, or modification thereof, shall become effective
21 on such date as shall be therein specified, and such fees shall
22 be treated for administrative purposes and for the purposes

1 of section 32 of Public Law Numbered 320, Seventy-fourth
2 Congress, approved August 24, 1935, as amended, as duties
3 imposed by the Tariff Act of 1930, but such fees shall not
4 be considered as duties for the purpose of granting any
5 preferential concession under any international obligation
6 of the United States.

7 “(d) After investigation, report, finding, and declara-
8 tion in the manner provided in the case of a proclamation
9 issued pursuant to subsection (b) of this section, any
10 proclamation or provision of such proclamation may be sus-
11 pended or terminated by the President whenever he finds
12 and proclaims that the circumstances requiring the proclama-
13 tion or provision thereof no longer exist or may be modified
14 by the President whenever he finds and proclaims that
15 changed circumstances require such modification to carry
16 out the purposes of this section.

17 “(e) Any decision of the President as to facts under
18 this section shall be final.

19 “(f) No proclamation under this section shall be en-
20 forced in contravention of any treaty or other international
21 agreement to which the United States is or hereafter becomes
22 a party.”

1 SEC. 4. This Act shall take effect on January 1, 1949,
2 except that section 3 shall take effect on the date of enact-
3 ment of this Act.

Passed the House of Representatives June 12, 1948.

Attest:

JOHN ANDREWS,
Clerk.

80TH CONGRESS
2d Session

H. R. 6248

AN ACT

To authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

JUNE 14 (legislative day, JUNE 1), 1948

Read twice and referred to the Committee on
Agriculture and Forestry

80TH CONGRESS
2D SESSION

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 14 (legislative day, JUNE 1), 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. BREWSTER (for himself, Mr. WHITE, Mr. DWORSHAK, Mr. JOHNSON of Colorado, and Mr. DOWNEY) to the bill (S. 2318), to provide for a coordinated agricultural program, viz:

1 On page 81, line 8, after the period insert the following:
2 “The price of any kind of Irish potatoes harvested after
3 December 31, 1948, shall be supported at not less than 60
4 per centum nor more than 90 per centum of the parity
5 price for Irish potatoes as of the beginning of its marketing
6 season.”

7 On page 81, line 10, after the word “commodity”
8 insert the following: “(other than Irish potatoes)”.

1 On page 84, between lines 10 and 11, insert the
2 following:

3 “(c) Section 4 (a) of the Act entitled ‘An Act to
4 extend the life and increase the credit resources of the Com-
5 modity Credit Corporation, and for other purposes’, approved
6 July 1, 1941 (U. S. C., title 15, sec. 713a-8), is amended
7 by inserting after the first sentence thereof the following:
8 ‘Notwithstanding the expiration of the period specified in the
9 preceding sentence, the price of Irish potatoes harvested
10 prior to January 1, 1949, shall be supported as provided
11 in this section until the close of June 30, 1949.’”

AMENDMENTS

Intended to be proposed by Mr. BREWSTER (for himself, Mr. WHITE, Mr. DWORSHAK, Mr. JOHNSON of Colorado, and Mr. DOWNEY) to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 14 (legislative day, JUNE 1), 1948

Ordered to lie on the table and to be printed

Rivers and harbors—projects included by House and Senate in 1949 civil functions appropriations bill, H. R. 5524, and amounts allowed by conference committee—Con.

Project	Amount allowed by House, construction	Amount allowed by Senate, construction	Allowed by conferees, construction
New York:			
Black Rock Channel and Tonawanda Harbor.....	\$193,000	\$193,000	\$193,000
Buffalo Harbor.....	500,000	500,000	500,000
Hudson River.....	269,000	269,000	269,000
New York and New Jersey Channels.....	2,200,000	2,200,000	2,200,000
Wilson Harbor.....	300,000	300,000	300,000
North Carolina: Cape Fear River, at and below Wilmington.....	1,108,000	1,264,500	1,264,500
Ohio:			
Cleveland Harbor.....	2,000,000	2,600,000	2,000,000
Ohio River, open channel work.....	199,500	199,500	199,500
Oregon:			
Columbia River at Bonneville.....	600,000	500,000	500,000
Columbia and Lower Willamette Rivers below Vancouver, Wash. and Portland, Oreg.....	775,000	775,000	775,000
Columbia River between Vancouver, Wash. and The Dalles, Oreg.....		326,000	326,000
Longview Harbor.....		154,000	154,000
Coos Bay.....	1,000,000	2,000,000	1,500,000
McNary Lock and Dam, Columbia River, Oreg. and Wash.....	20,000,000	27,000,000	22,000,000
Saquina Bay and Harbor.....	109,400	109,400	109,400
Pennsylvania:			
Delaware River, Philadelphia to the sea. (See same project under Delaware.)			
Monongahela River (lock 2).....	900,000	1,400,000	1,000,000
Schuylkill River.....	1,295,000	1,295,000	1,295,000
Rhode Island: Wickford Harbor.....		95,000	95,000
South Carolina:			
Charleston Harbor.....	178,000	178,000	178,000
Winyah Bay.....	856,600	856,600	856,600
Tennessee: Cumberland River. (See same project under Kentucky.)			
Texas:			
Brazos Island Harbor.....	175,000	325,000	325,000
Houston Ship Channel.....	500,000	500,000	500,000
Neches-Angelina Rivers.....	1,818,100	1,818,100	1,818,100
Sabine-Neches waterways.....	480,000	480,000	480,000
The Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican border section (Galveston district).....	2,119,000	2,119,000	2,119,000
Trinity River, channel to Liberty.....	400,000	750,000	750,000
Virginia:			
Broad Creek.....	32,700	32,700	32,700
Cranes Creek.....		7,500	7,500
Hoskins Creek.....	25,000	25,000	25,000
Norfolk Harbor.....		108,000	108,000
Virgin Islands: St. Thomas Harbor.....		750,000	
Washington:			
Columbia River at Baker Bay.....	60,000	60,000	60,000
Columbia River at Bonneville. (See same project under Oregon.)			
Columbia River between Vancouver, Wash., and The Dalles, Oreg. (See same project under Oregon.)			
Columbia and Lower Willamette Rivers below Vancouver, Wash., and Portland, Oreg. (See same project under Oregon.)			

Rivers and harbors—projects included by House and Senate in 1949 civil functions appropriations bill, H. R. 5524, and amounts allowed by conference committee—Con.

Project	Amount allowed by House, construction	Amount allowed by Senate, construction	Allowed by conferees, construction
Washington—Con.			
McNary lock and dam, Oreg. and Wash. (See same project under Oregon.)			
Olympia Harbor.....	\$187,000	\$187,000	\$187,000
Snake River, Oreg., Wash., and Idaho. (See same project under Oregon.)			
Willapa River and Harbor.....		74,000	74,000
West Virginia:			
Monongahela River, lock and dam 2. (See same project under Pennsylvania.)			
Morgantown lock and dam, Monongahela River.....		4,150,000	3,000,000
Ohio River open channel work. (See same project under Ohio.)			
Wisconsin:			
Mississippi River between Missouri River and Minneapolis, Minn. (exclusive of St. Anthony Falls, Minn.). (See same project under Illinois.)			
Planning funds.....	1,000,000	2,107,000	1,924,000
Subtotals, construction and planning.....	76,304,300	115,617,400	90,412,100
Maintenance.....	50,000,000	51,500,000	51,000,000
Operating and care.....	20,000,000	21,000,000	20,000,000
Examinations, surveys, and contingencies.....	2,000,000	2,950,000	2,050,000
Removing sunken vessels.....	300,000	300,000	300,000
Survey of northern and northwestern lakes.....	300,000	300,000	300,000
Prevention of deposits in New York Harbor.....	350,000	350,000	350,000
California Debris Commission.....	12,000	12,000	12,000
Salaries, office, Chief of Engineers.....	540,000	540,000	540,000
Printing for River and Harbor Board.....	40,000	40,000	40,000
River and Harbor Board expenses.....	400,000	400,000	400,000
Beach Erosion Board expenses.....	160,000	160,000	160,000
Work under sec. 3, River and Harbor Act, Mar. 2, 1945.....	300,000	300,000	300,000
Transfer to U. S. Geological Survey.....	125,000	125,000	125,000
Transfer to Fish and Wildlife Service.....	1,000,000	1,490,000	1,000,000
Subtotal, maintenance, etc.....	75,527,000	79,467,000	76,577,000
Total.....	151,831,300	195,084,400	166,989,100

Planning funds of \$1,924,000 are agreed to. In the conference report the following amounts are earmarked for the projects listed:

Alabama-Coosa River.....	\$290,000
Arkansas River, Ark. and Okla.....	500,000
Buford Dam, Ga.....	400,000
Calumet-Sag, Ill.....	200,000

Total..... 1,390,000

The balance of planning funds is to be allocated by the Corps of Engineers to projects included in their justifications, except no funds are to be used for planning on the Intracoastal Waterway, cross-Florida section, Florida.

Mr. GURNEY. If there are any questions, I shall be glad to answer them. If there are no questions, I move that the conference report be agreed to.

Mr. BARKLEY. I wish, in a word, to express my regret that certain items carried in the bill as passed by the Senate were not agreed to by the House conferees or by the House. I realize that the Senate conferees did the best they could to secure the acceptance of the Senate amendments to the bill. Of course, all we can do is to accept or reject the conference report. In view of the fact that the chances probably would not be propitious to secure a better conference report than that which is brought forward at this time, I shall content myself with expressing my regret that the House conferees were not more willing to accept the Senate version of the bill with regard to many things that were entirely worthy of the favorable consideration of both Houses.

Mr. GURNEY. I will say to the Senator from Kentucky that there are quite a number of worth-while projects provided for by the Senate not agreed to in conference. I am not too happy to make this report to the Senate.

Mr. President, I move that the Senate agree to the conference report.

The conference report was agreed to.

Mr. MYERS subsequently said: Mr. President, there was so much noise and confusion immediately after the final votes on the Reciprocal Trade Agreements Act that it was impossible for me to hear the calling up of the conference report on the Army civil functions appropriation bill, and the conference report was agreed to before several of us knew it had even been called up. It is too bad that in this rush to adjourn we are jamming important legislation through at such a hasty tempo, and I am sure none of us like this.

I recognize the tremendous handicap under which the Senate Appropriations Committee has been operating, and I want to voice my personal appreciation for the simply tremendous amount of work which it performed and which its members are called upon to handle.

I had no intention of seeking to recommend the Civil Functions bill back to conference because I know that that would have been impossible to achieve in view of the lateness of the hour in this session. However, I do want to make some brief comments on the conference report, and I ask unanimous consent that my remarks be printed at the point in the RECORD where the conference report on the civil function bill was agreed to.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MYERS. On the whole, and speaking in over-all figures, I cannot complain too much about the conference report, for the Senate did succeed in restoring some of the more damaging cuts made by the House. For instance, the Senate conferees did persuade the House conferees to allow the full budget amount for the Punxsutawney dikes, and to raise substantially the amounts which the House had voted for maintenance on rivers and harbors, so that the reduction in work on very essential channel maintenance at Philadelphia and Erie will not suffer nearly as much as it would have

under the original House bill. There is no gainsaying, however, that there will be unfortunate curtailments of work at both places because the conference bill does not go far enough. Even the Senate figure on maintenance was about one and one-half million dollars below the budget and this final bill reduces the budget by two million instead of the three-million cut made by the House.

Funds restored by the Senate for the Williamsport dikes were cut out in conference and that will mean a delay in the completion of this project of about a year and that is most unfortunate—in fact, it is most dangerous because if a flood occurs before completion of the dikes, a flood of the severity of recent floods at Williamsport, we are going to find this alleged saving of about \$344,000 at Williamsport in the coming year to have been false economy indeed.

The same holds true for the so-called savings of \$300,000 for the East Branch Clarion River Reservoir. Here again the Senate conferees retreated from the Senate amount and agreed to the House amount.

The most puzzling aspect of this conference report, however, is the pittance of \$500,000 voted for the Delaware River improvement work at Philadelphia as against the \$1,051,000 voted by the Senate originally, which was the budget amount. The House for the second straight year had left this project out entirely for reasons I have never been able to learn. If it were a matter of principle which caused the House to leave out this project originally, then I am surprised now that it would agree to anything. Apparently it wasn't a matter of principle; apparently it was just a matter of some penny pinching at the expense of the Port of Philadelphia, the economy of Philadelphia and many of our important businesses in Philadelphia. Restoring our harbor depths will have to be done to accommodate the larger ships and we are going to have to spend the money, and this cut of a half million dollars merely prolongs the agony and inconvenience.

Similarly, we are relocating and rebuilding two locks on the Monongahela River, one at Braddock and one at Morgantown, W. Va., and in both cases the House conferees have persuaded the Senate conferees to give in on the Senate amounts and to agree to cuts and this is most unfortunate and is a blow to river transportation in western Pennsylvania against which I protest.

This is shabby treatment for a State which pays such a substantial portion of Federal revenues. This type of economy is short-sighted. It is cheap.

LONG-RANGE AGRICULTURAL PROGRAM

Mr. WHERRY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 1346 on the calendar, Senate bill 2318, to provide for a coordinated agricultural program, and that it be made the unfinished business.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 2318) to provide for a coordinated agricultural

program, which had been reported from the Committee on Agriculture and Forestry, with amendments.

INTERIOR DEPARTMENT APPROPRIATIONS, 1949

Mr. WHERRY. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Order of Business 1670, House bill 6705, the Interior Department Appropriation bill.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 6705) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1949, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

MAINTENANCE OF STATUS QUO OF EMPLOYMENT TAXES AND SOCIAL-SECURITY BENEFITS—VETO MESSAGE (H. DOC. NO. 711)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read.

(For text of President's message, see today's proceedings of the House of Representatives on p. 8268.)

During the reading of the veto message the following occurred:

Mr. WHERRY. Mr. President, I wish to announce to Senators that the veto message of the President of Senate Joint Resolution 296 is now being read, and the Senator from Colorado [Mr. MILLIKIN] expects immediate consideration of it. After the conclusion of action on the veto message there will be brought before the Senate two appropriation bills and some other business, and as I announced this morning, the expectation is that there will be a night session. The question now before the Senate is the veto message and I trust that Senators will be prepared to debate it if they care to, or vote on it immediately.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LUCAS. What was before the Senate when the veto message was taken up?

The PRESIDENT pro tempore. House bill 6705, the Interior department appropriation bill, is the business which has been taken up, after the unfinished business had been temporarily laid aside.

Mr. LUCAS. Does the veto message have preference?

The PRESIDENT pro tempore. It is privileged matter.

Mr. LUCAS. At any time?

The PRESIDENT pro tempore. The Senator is correct.

Mr. LUCAS. The other business is automatically laid aside?

The PRESIDENT pro tempore. The Senator is correct. The clerk will continue the reading.

The clerk resumed and concluded the reading of the veto message.

Mr. MILLIKIN. Mr. President, I move that the Senate proceed to the reconsideration of House Joint Resolution 296.

The motion was agreed to; and the Senate proceeded to reconsider the joint resolution (H. J. Res. 296) to maintain the status quo in respect of certain employment taxes and social-security benefits pending action by Congress on extended social-security coverage.

The PRESIDENT pro tempore. The question is, Shall the joint resolution pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. MILLIKIN. Mr. President, I shall give a very brief review of what is in the joint resolution.

The joint resolution would reaffirm the unbroken intent of Congress that the usual common-law rules, realistically applied, shall continue to be used to determine whether a person is an "employee" for purposes of applying the Social Security Act.

The resolution would maintain the status under the act of those who, prior to the enactment of the resolution, have been given coverage by erroneous construction of the term "employee" (as defined in the resolution) if social-security taxes have been paid into the old-age and survivors' insurance trust fund with respect to the covered services.

The resolution would assure continued benefits to those who will have attained age 65, and to the survivors of those who will have died prior to the close of the first calendar quarter which begins after the enactment of the act and who have coverage under the system because of misconstruction of the term "employee"—as defined in the resolution—even though social-security taxes have not been paid by them or in their behalf.

The resolution would stop extension of coverage of the act to between a half and three-quarters of a million persons who have not been, are not now, and should not be under the act, until coverage is provided by act of the Congress.

The resolution would stop the plan of the Treasury Department to give to these 500,000-750,000 persons free, retroactive coverage, and thus would stop a more than \$100,000,000 impairment of the old-age and survivors' insurance trust fund which has been built up out of taxes collected on the wages of those who are truly employees and who have paid for their coverage under the system.

The pending resolution would not disturb the existing Treasury regulation which construes the term "employee" in the Social Security Act harmoniously with the usual common-law rules.

The pending resolution will maintain the moving principles of the decisions of the United States Supreme Court in the Silk, Greyvan, and Bartels cases, where, in the opinion of your committee, the Court realistically applied the usual common-law rules. But if it be contended that the Supreme Court has invented new law for determining an "employee" under the social-security system in these cases, then the purpose of this resolution is to reestablish the usual common-law rules, realistically applied.

The resolution preserves the integrity of the trust fund by limiting payments out of the fund to persons who are employees under the act by the usual com-

balance off when there is steam standing available to meet any possible emergency of drought, then I say we are going too far as a nation in building up for an anticipated load when we have so much else in the Nation demanding Federal appropriations, to assist in worthy projects such as flood control, which will involve hydroelectric generating in connection with flood control, as well as the domestic and the industrial needs, such as New England areas and the Pacific area have pressed not only on the Congress, but on the public utility units in existence in those localities. So I wish to say that the Senator from Kentucky is correct on the legal phase, but the load is not there demanding that the current be generated.

Mr. TOBEY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from New Hampshire.

Mr. TOBEY. Mr. President, I appreciate the courtesy of the Senator from Michigan in yielding. I wish to take 2 minutes to lay a ghost here tonight, and the ghost I want to lay is the one that is raised by the Senator sitting just in front of me, the Senator from Connecticut [Mr. BALDWIN]. From the depths of his soul he cried out in mental anguish lest some of the great industries of New England attracted by the mercenary desires for lower power rates might leave the sacred soil of England and go to the South.

Perish the thought. It is improbable in my judgment. The perspicacity, the zeal, the admiration, the loyalty, and the advantages which accrue to the industries of New England from New England would prevent any one of them leaving there. New England, land of senic splendor, land of great traditions, land of energy, courage, and high aspirations—Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, each and all of them. There they stand. Cordially we say to industries in other parts of the country, come on in, the water is fine. Come from the South, come from the West, come from the North, but come to New England, land not only of scenic splendor, land of thrift and prudence, land that years ago gave the Nation the splendid manhood and womanhood that developed the United States into a Nation par excellence under God. Welcome to New England. [Laughter.]

Mr. WHERRY. Mr. President, could there be a finer moment for the Senate to adjourn?

Mr. FERGUSON. I yield to the Senator from Nebraska.

Mr. WHERRY. Mr. President, it is now past 10 o'clock, and with such an eloquent speech to go home and sleep on and dream about, I think we had better conclude the session.

Mr. LUCAS. Mr. President, I propose tomorrow to offer two short amendments to the bill, and I ask that they be received and lie on the table, and also that they be printed in the RECORD at this point.

The amendments were received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 3, line 7, strike out the figure "\$4,840,000" and insert "\$6,200,000."

On page 3, strike out the proviso beginning on line 20 and ending on line 1, page 4, which reads as follows: "Provided further, That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies."

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. The unfinished business is the long-range agricultural bill, is it not?

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. It has been temporarily displaced by the appropriation bill?

The PRESIDING OFFICER. It has been temporarily laid aside for the consideration of House bill 6481. The Chair will point out that that bill is now open to the first committee amendment.

Mr. WHERRY. I have been informed by several Senators that they would like to have the Senate go back and take up another bill on the calendar. I ask now whether, when the calendar is called between the hours of 11 and 1 o'clock tomorrow, the unfinished business will still be the long-range agricultural program bill?

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. I do not believe we can conclude consideration of the pending bill now, because the hour is too late.

Mr. FULBRIGHT. I did not quite understand what the Senator said about the unfinished business. The bill now under consideration was taken up by motion.

Mr. WHERRY. No.

Mr. FULBRIGHT. Oh, yes, it was.

Mr. WHERRY. What is the unfinished business?

Mr. FULBRIGHT. The bill now under consideration.

Mr. JOHNSON of Colorado. I call for the regular order.

The PRESIDING OFFICER. The Chair was advised that when the bill now being considered came before the Senate, inadvertently or otherwise, it was taken up by motion.

Mr. JOHNSON of Colorado. I call for the regular order.

The PRESIDING OFFICER. There was no objection to the motion, however. So it can be construed as unanimous consent.

Mr. WHERRY. I thank the Chair.

Mr. FULBRIGHT. I do not understand, Mr. President. How does the Chair know there was no objection? A vote was had, a voice vote.

The PRESIDING OFFICER. The present occupant of the Chair was in the

Chamber at the time and listened very carefully, and the present occupant of the Chair heard no objection whatever and no negative vote.

Mr. WHERRY. That is the ruling of the Chair?

The PRESIDING OFFICER. The Chair would so hold, in order to expedite the procedure of the Senate.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. Ives in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing a nomination, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WILEY, from the Committee on the Judiciary:

Joseph J. Hancock, of Kentucky, to be United States district judge of the Canal Zone, vice Bunk Gardner, retired; and

Howard C. Gilmer, Jr., of Virginia, to be United States attorney for the western district of Virginia, vice Frank S. Tavenner, whose term will expire June 5, 1948.

ADJOURNMENT

Mr. WHERRY. I now move that the Senate adjourn until tomorrow at 11 o'clock, a. m.

The motion was agreed to; and (at 10 o'clock and 8 minutes p. m.) the Senate adjourned until tomorrow, Tuesday, June 15, 1948, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 14 (legislative day of June 1), 1948:

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:

Richard M. Connell, of Missouri.

Joseph B. Costanzo, of New York.

Woodruff Wallner, of New York.

Albert E. Carter, of Tennessee, for appointment as a Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

D. Chadwick Braggiotti, of Connecticut.

Richard I. Phillips, of California.

UNITED STATES PUBLIC HEALTH SERVICE

APPOINTMENTS

The following-named candidates for appointment in the Regular Corps of the Public Health Service:

To be surgeons (equivalent to the Army rank of major), effective date of acceptance:

Henry W. Kassel

Edward K. Reid

To be scientists (equivalent to the Army rank of major), effective date of acceptance:

Malcolm J. Williams

Jerry W. Carter, Jr.

John C. Eberhart

PROMOTIONS

The following-named candidates for promotion in the Regular Corps of the Public Health Service:

Surgeons to be senior surgeons (equivalent to the Army rank of lieutenant colonel), effective July 1, 1948:

Lee C. Watkins	Robert K. Maddock
William F. Ossenfort	Alfred B. Geyer
Joseph O. Dean	Robert H. Flinn
Ivan W. Steele	Roy E. Butler
Kenneth R. Nelson	Leland J. Hanchett
Vane M. Hoge	Richard C. Arnold
Frank F. Thweatt, Jr.	Austin V. Delbert
Gilbert L. Dunnahoo	John L. Wilson
Eddie M. Gordon	Leslie M. Smith
Ralph Gregg	Llewellyn L. Ashburn
Edwin G. Williams	Oliver C. Williams
Gerald M. Kunkel	B. Oliver Lewis
Harold D. Lyman	Clifton K. Himmelsbach
Frederick W. Kratz	John W. Oliphant
John D. Lane, Jr.	Seymour D. Vestermark
Donald J. Hunt	
Chapman H. Binford	Hollis U. Maness
John A. Trautman	Leroy E. Burney
Joseph A. Bell	Charles R. Mallary
Edward C. Rinck	Michael J. Pescor
Gordon A. Abbott	Don S. Cameron
Sidney P. Cooper	George H. Hunt
George W. Bolin	Harry Eagle
Waldemar C. Dreessen	Dean A. Clark
Noka B. Hon	Norvin C. Klefer
Otis L. Anderson	Myron D. Miller
Claude D. Head, Jr.	George L. Fite
Mason V. Hargett	Arthur W. Newitt
Cassius J. Van Slyke	H. van Zile Hyde
Thurman H. Rose	Robert H. Felix
Victor H. Vogel	Walter Griffey
Thomas B. McKneely	
William G. Workman	

Senior assistant surgeons to be surgeons (equivalent to the Army rank of major), effective July 1, 1948:

Virgil J. Dorset	Harold M. Graning
John R. McGibony	Karl Habel
Robert F. Martin	Francis T. Zinn
Herman E. Hilleboe	Robert T. Hewitt
Theodore L. Perrin	Robert R. Smith
Harris Isbell	Murray A. Diamond
David J. Zaugg	Max R. Kiesselbach
Howard D. Fishburn	Weldon A. Williamson
Rolla R. Wolcott	Robert D. Wright
James F. Lane	Joseph S. Spoto
John N. Bowden	Aaron W. Christensen
Ralph B. Hogan	John P. Turner
Waldo B. Edwards	Waldron M. Sennott
Vernon B. Link	Benjamin Highman
Norman H. Topping	Curtis G. Southard
James A. Grider, Jr.	Daniel J. Daley
Byron J. Olson	James J. Griffiths
Harold R. Sandstead	John B. Vander
Clarence A. Smith	Albert L. Chapman
Richard H. Smith	George K. Massengill
John A. Lewis, Jr.	Michael B. Shimpkin
Dale C. Cameron	Lloyd S. Rolufs
Leo D. O'Kane	Dorland J. Davis
Jack L. James	Joseph C. Sturgell
Leon S. Saler	Robert A. Hingson
Thomas A. Hathcock, Jr.	Robert L. Griffith
Robert C. Dunn	Kenneth W. Chapman
Randall B. Haas	James K. Shafer
Charles G. Spicknall	Benno K. Milmore
Vernam T. Davis	John D. Porterfield
Harold T. Castberg	John T. Wright
Terrence E. Billings	Benjamin Wolfman
James R. Shaw	Allen B. Eschenbrenner
James Watt	
Edgar B. Johnwick	Ralph W. McComas
Lawrence W. Brown	William J. Brown
Francis J. Weber	Louis Jacobs
Thomas R. Dawber	Bryan A. Dawber
Theodore F. Hilbish	Carl L. Larson
Michael L. Furcolow	James A. Smith
George E. Tooley, Jr.	Glen E. Ogden
Robert L. Zobel	George F. Ellinger
Thomas F. Crahan	David B. Wilson
Raymond F. Kaiser	John F. Oesterle
Glenn S. Usher	James L. Southworth
James V. Lowry	Joe M. Chisolm
	Clarence L. Hebert

Leslie W. Knott	William J. McAnally, Jr.
Robert J. Anderson	Nunzio J. Carrozzo
William H. Stimson	Carl Enna
William S. Baum	W. Clark Cooper
Albert N. Sarwold	Robert W. Blach
William G. Budington	Clarence Kooiker
Kenneth M. Endicott	Harold J. Magnuson
Samuel S. Spicer	Jack C. Haldeman
James B. Donaldson	Walter S. Mozdén
Jesse D. Harris	Paul C. Campbell, Jr.
Malcolm J. Ford	David E. Price
Donald W. McNaughton	Charles L. Williams, Jr.
Edwin N. Hesbacher	Charles C. Shepard
James A. Finger	James L. Baker
Robert Lincoln Smith	Wayne W. Carpenter
George E. Parkhurst	Selwyn H. Drummond
Arnold B. Kurlander	Timothy J. Haley
Stanley E. Krumbiegel	Michael J. Clarke
Gabriel P. Ferrazzano	Linden E. Johnson
Emerson Y. Gledhill	James M. Hundley
Clarence B. Mayes	Russell I. Pierce
Mark E. Myers	Luther L. Terry
Daniel MacKillop	
Ray H. Vanderhook	

Assistant surgeons to be senior assistant surgeons (equivalent to the Army rank of captain), effective July 1, 1948:

Richard H. Linn	John J. Antel
Clarke W. Mangun, Jr.	Heinz R. Weisheit
Leland C. Burrill	Roy P. Lindgren
Warfield Garson	Edmund V. Cowdry, Jr.
Willie G. Simpson	Gleb A. Nedzel
Keith F. Farr	Alton Meister
Norman C. Morgan	Clyde H. Dabbs, Jr.
Robert E. Staff	Robert S. Weinhaus
John W. Smillie	W. Burton Haley
Sidney Krohn	Ralph T. Behling
William P. Ramey	Marion F. Graham
Leo J. Gehrig	LaVere G. White
Robert Leslie Smith	Lindsay K. Bishop
Arthur E. Rikli	Howard W. Halfman
Stuart H. Martel	Robert E. Greenfield, Jr.
David S. Citron	Eugene A. Vaccaro
Leonard T. Kurland	Clarence A. Velat
Robert B. Shelby	James R. Green
Carl A. Boswell	Maurice W. Peterson
William A. Himmelsbach	Charles C. Griffin, Jr.
Thomas A. Birch	Robert D. Dooley
John G. Robinson	John S. McMillin
Andrew L. Hoekstra	Kenneth W. Horne
Gordon E. Wheeler	Robert M. Farrier
Alan D. Miller	Stuart M. Sessoms
Charles L. A. Wehr	James B. Dukes
Louis B. Thomas	Francis P. Nicholson
Leon T. Atlas	Robert A. Mattingly, Jr.
Harry E. Halden III	Robert C. Rodger
Martin M. Cummings	Luther E. Smith
Robert B. Dorsen	Joseph Leighton
John C. Wrye III	James J. Thorpe
Albert V. Myatt	Sheldon Dray
Frederic D. Regan	Donald Harting
Gove Hambidge, Jr.	Cornelius J. O'Donovan
Lewis Francis	Robert E. Westfall
Kirkland C. Brace	M. Lawrence Brockmyer
Hans R. Huessy	Donn G. Mosser
Terrell O. Carver	Henry D. Smith
Milton J. Miller	Robert P. Ralls
John H. Miller	Henry C. Savage
Elroy G. Burgwald	A. McChesney Evans
Carl R. Reed	John L. Lightburn
Carroll D. Savage	Virgil Hanson
John P. Lombardi	Raymond N. Brown
Vincent E. Price	Raymond G. Halvorson
Frederick G. Germuth, Jr.	
Daniel Shapiro	
Robert H. Dysinger	
Robert B. Neu	

Dental surgeons to be senior dental surgeons (equivalent to the Army rank of lieutenant colonel), effective July 1, 1948:

David Cooper	Gordon G. Braendle
Fritz R. Jackson	John M. Francis
John A. Hammer	Charles B. Galt
James F. Lewis	Robert A. Scroggie
Thomas L. Hagan	Leland E. Weyer
Ray P. Breaux	Leonard R. Etzenhouser
James S. Miller	

Mark E. Bowers	Robert H. Moore
Joseph J. Dunlay	Frank E. Law
Walter J. Pelton	

Senior assistant dental surgeons to be dental surgeons (equivalent to the Army rank of major), effective July 1, 1948:

Charles H. Wright, Jr.	Clovis E. Martin
Howard J. Woodbridge	Donald J. Galagan
Francis A. Arnold, Jr.	Joseph E. Unsworth
William W. Calhoun	James O. Blythe, Jr.
Jr.	Fred D. Lewis, Jr.
George E. Waterman	Francis J. Walters
William C. Neaf	Vernon J. Forney
Joseph G. Yount	

Assistant dental surgeons to be senior assistant dental surgeons (equivalent to the Army rank of captain), effective July 1, 1948:

Richard P. French
Joseph W. Fridl
Charles F. White

Sanitary engineers to be senior sanitary engineers (equivalent to the Army rank of lieutenant colonel), effective July 1, 1948:

Ellis S. Tisdale	James H. Le Van
Omar C. Hopkins	Franz J. Maier
Vincent B. Lamoureux	Maurice LeBosquet, Jr.

Senior assistant sanitary engineers to be sanitary engineers (equivalent to the Army rank of major), effective July 1, 1948:

Walter N. Dashiell	Ralph Porges
Mark D. Hollis	James G. Terrill, Jr.
Frank E. DeMartini	Richard T. Page
Vernon G. MacKenzie	John S. Wiley
Gordon E. McCallum	August T. Rossano, Jr.

Assistant sanitary engineers to be senior assistant sanitary engineers (equivalent to the Army rank of captain), effective July 1, 1948:

William W. Payne
Frank A. Butrico
Henry J. L. Rechen

Senior assistant engineers to be engineers (equivalent to the Army rank of major), effective July 1, 1948:

Joseph E. Flanagan, Jr.
Lucian E. Renes

Assistant pharmacists to be senior assistant pharmacists (equivalent to the Army rank of captain), effective July 1, 1948:

Donald E. Wenschhof
Robert E. Jones
Henry L. Verhulst

Scientists to be senior scientists (equivalent to the Army rank of lieutenant colonel), effective July 1, 1948:

Heinz Specht
G. Robert Coatney

Junior assistant nurse officers to be assistant nurse officers (equivalent to the Army rank of first lieutenant), effective July 1, 1948:

Anne K. Buck	Jennie H. Rakich
Mary F. Callan	Janine A. Dziejowski
Dorothy L. Connors	Anne Woudema
Rita A. Arzt	C. Vistula Lancaster
Vivian L. Gibson	Virginia L. Roberts
Roberta C. Brave	Ruth I. Webb
Margaret M. Cahalan	Alice M. Driscoll
Mildred K. McDermott	Nelle F. McCarthy
Mary B. Krause	Elaine Felt
Mary C. Larkin	Pauline M. Gronas
Emilie S. Wilson	Ann M. Zidzik
Mary E. Evans	Elsie M. Pinkham
Florence J. Ullman	

IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (X) are subject to examination required by law. All others have been examined and found qualified for promotion.

penditure until the end of the regular fiscal year.

The language in the House bill does not compel spreading the funds over 15 months, but simply makes it possible. There is nothing in the actual wording to prevent ECA from obligating and expending its funds prior to March 31, 1949.

To make this perfectly certain and to conform to the indicated attitude of the Senate, it seems to me the whole fuss can be simply resolved, Mr. Speaker. Instead of the House version, which says "until June 30, 1949," and instead of the Senate version, which says "until March 31, 1949," we can say "to be available until June 30, 1949: *Provided, however,* That this shall not be construed to prevent obligation and expenditure of these funds, if necessary, prior to March 31, 1949."

And there is a special reason why ECA itself should want such language. For in the first 2 months they were far behind possible expenditures on a monthly average basis. Unless they catch up, they could come to March 31, 1949, and might be without authority to complete their expenditure program.

The full \$5,300,000,000 ECA program would permit an average expenditure of \$450,000,000 per month on a 12-month basis—April 1, 1948, to March 31, 1949.

In its first 2 months, drawing on the \$1,000,000,000 advanced by the Reconstruction Finance Corporation and the \$55,000,000 advanced in an earlier appropriation, ECA actually obligated only slightly more than \$200,000,000 of the \$900,000,000 indicated for 2 months on an average monthly basis.

This gives ECA almost \$700,000,000 more than the average for the remainder of whatever period is allowed and was one of the factors considered by the House committee in making its reductions.

The suggested language, Mr. Speaker, would clearly leave the rate of expenditure in the hands of the Administrator with the flexibility which Mr. Hoffman asked for, to meet changing economic conditions at home and abroad. Our committee did not particularize the cuts because he asked us not to do so.

Statement by Hon. Warren G. Magnuson, of Washington, Before the Subcommittee of the Committee on Appropriations on Department of Commerce Bill

EXTENSION OF REMARKS OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Monday, June 14 (legislative day of
Tuesday, June 1), 1948

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement I made before the subcommittee of the Committee on Appropriations dealing with the Department of Commerce bill for the fiscal year 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman, I am deeply concerned about appropriations for some specific projects in this bill, but more particularly about the general legislative provisions the House has seen fit to hang like a millstone around the neck of the Department—a millstone, which I am forced to suspect, is designed to cripple our great western projects. The technique used by those who are opposed to Federal development of our great river systems is clever, in that it seeks to accomplish by indirection what its sponsors have failed to accomplish by direct frontal attack.

First, I call the committee's attention to the provision beginning at the bottom of page 53, which stipulates that, "All interest heretofore or hereafter collected on sums invested in power or municipal water features of any project constructed or operated by the Bureau of Reclamation under the authority of the Reclamation Project Act of 1939 shall be covered into the reclamation fund and shall not be allocated." A similar provision is found on page 7, applicable to Bonneville Power Administration.

I am sure the committee is fully aware of the heated controversy which exists over the use of interest on power features of our multiple-purpose projects, collected as a part of the power rate. There are those who believe that the 1939 act permits the Department of the Interior to apply this interest against the irrigation costs allocated to power. During the pay-out period on the Columbia Basin project, power features will pay about \$70,000,000 in interest to the Federal Treasury. One school of thought contends that this \$70,000,000 collected as a part of the power rate should be used, and under the 1939 act can be used, to pay a part of the approximately \$300,000,000 of irrigation costs assigned to power. On the other hand, there are those who contend that this so-called interest component should be covered into the Treasury as miscellaneous receipts, or allowed to accumulate unallocated in the reclamation fund.

This issue has been fought out—particularly in the Public Lands Committee of the House—beginning with the introduction by Congressman ROCKWELL of H. R. 2873 and H. R. 2874 early in the first session of the Eightieth Congress. Finally, a compromise bill was reported to the House in January of this year and the issue redebated on the floor. In essence the compromise was as follows: The pay-out period was extended to 78 years, the interest charge on Federal funds invested in power features reduced to 2½ percent, and it was provided that ⅓ or ½ percent of the interest charge could be used to pay irrigation costs assigned to power on the specific project involved.

Opponents of low-cost hydroelectric power emasculated the bill on the floor to such an extent that its sponsor, Congressman ROCKWELL, has all but refused to permit the bill to travel under his name. That bill as amended on the floor appropriately has been slumbering in the Senate Committee on Interior and Insular Affairs for the last 2 or 3 months. Now comes the appropriation bill for the Department of the Interior, and the same faction responsible for emasculating the Rockwell bill, H. R. 2873, seeks to accomplish by the legislative provision I have just read what they were unable to accomplish after months of open hearings in the House Public Lands Committee and after 2 days of extended debate on the floor of the House.

The legislative provisions on pages 53 and 57 of the bill say that interest heretofore or hereafter collected shall go into the reclamation fund and remain unallocated. If that provision means what it says—and I have no doubt it does—the net effect is to increase by \$70,000,000 the amount of money which must be collected in our power rate

over the pay-out period on Grand Coulee Dam. The final determination as to what the power policy of the Federal Government in this regard should be is a matter which should be decided in an orderly legislative way. In other words, the legislative committees should consider the question, make recommendation to their respective bodies, and the Members of both the House and Senate should have an opportunity to vote on the issue after full debate on this specific question. Certainly it is not sound legislative procedure to attempt to settle in an appropriation bill an issue so important to the development of every river system in the Nation. I sincerely hope your committee will delete these legislative provisions from this bill.

I now call your attention to what I consider another violation by the House of orderly legislative procedure and further, what I consider to be an invasion by the legislative branch of the prerogatives of executive departments. On page 38, line 21, the bill states: "*Provided further,* That no part of any appropriation for the Bureau of Reclamation contained in this act shall be used for the salaries and expenses of a person in any of the following positions in the Bureau of Reclamation or of any person who performs the duties of any such position, who is not a qualified engineer with at least 10 years engineering and administrative experience; (1) Commissioner of reclamation; (2) Assistant Commissioner of reclamation; (3) Regional Director of Reclamation." It is obvious to all of us that this provision was written into the bill on the floor of the House for the specific purpose of forcing the discharge of the present Commissioner of Reclamation, Mr. Straus; his Assistant, Mr. Markwell; and the Regional Director in California, Mr. Boke. I have consistently refused to become involved in the squabble between the Commissioner, some of his associates and certain Members of Congress from California. These men in the Bureau have been accused of mismanagement and even of fraud. If the charges against them can be proved, certainly corrective steps should be taken by the Secretary of Interior or, if necessary, the President. I submit, however, it is a strange procedure a certain faction of the House has adopted to accomplish their objective. On other occasions where the House has sought to legislate in an appropriation bill against specific individuals, your committee has corrected the error in judgment and refused to go along with that type of vindictive infringement upon the prerogatives of the executive branch. I am not arguing the merits of the case against the Commissioner or his associates. I do assert most vigorously, however, that the section of the bill I have just quoted is not a proper approach to the problem.

In addition the House has written into the bill limitations upon administrative personnel of the Bureau and Department which, I am convinced, will affect adversely the efficiency of their operation. Secretary Krug discussed this problem with you when he testified on the first day of the hearings. I do not have full details to transmit to the committee, but the principle involved is as follows. On the one hand, the House has given Bonneville Power Administration, for example, almost twice as much money as was appropriated last year, but on the other it has placed personnel limitations upon the administration which, if permitted to stand, will seriously impair the Administration's ability to spend that money effectively. I am sure Bonneville Power Administration and the Bureau of Reclamation have already presented, or will present this problem to you in full detail. For my own part, I have almost come to the conclusion that these personnel limitations are designed to prevent full expenditure of the increased funds the House committee has allotted.

On the positive side, the House committee on the whole, has done a fine job of providing funds for Columbia Basin and Bonneville for fiscal 1949. In my judgment, it will be extremely unfortunate if that constructive action is vitiated by the destructive provisions I have been discussing.

There is one other matter of general policy, I would like to discuss before turning to specific projects. The budget for the Bureau of Reclamation, as it came from the President, recommended an appropriation of \$20,805,690 for transmission lines. This was cut in the House to \$7,895,041, a decrease of more than 60 percent. Members of the committee know that there are some Members of Congress who believe that a sale-at-the-bus-bar policy should be established for distribution of electrical power generated at Federal dams. Last year bills were introduced on both sides of the Capitol to establish such a policy. To date not one of those bills have been acted upon favorably by a legislative committee.

For many, many years the policy of the Federal Government has been to construct backbone transmission lines as a means of carrying power to major load centers. Construction of substations is an indispensable part of this policy. The policy is predicated upon the sound theory that when the people's money is invested in a hydroelectric facility, the people themselves are entitled to receive that power at the lowest possible cost consistent with sound business principle. As a matter of fact, the reclamation law and most special acts, authorizing specific projects, contain a declaration that power shall be available first to public or municipally owned utilities, to rural electrification administrations, etc.

There is no better way to reverse this long-standing policy than by refusing to appropriate funds for transmission lines. This 60 percent cut over-all, in the Department's request for transmission lines, indicates conclusively, to me at least, that there are Members of Congress who are determined to establish by indirect means a bus-bar policy which they have been unable to force through regular committees. Personally, I believe private power companies, public utilities, REA's, should have equal treatment under the law, as concerns distribution of federally generated power. I am not opposed to private power companies receiving an equitable share of Government-generated power. I am in favor of supplying these companies by giving an opportunity, insofar as it is possible to do so under the priorities set-up under the reclamation laws, to make a profit on the Government-generated power they distribute. However, I am vigorously opposed to a policy, the practical effect of which would be to give them a monopoly on power generated at Federal dams constructed with the funds of the American people. A small REA in southwest Washington cannot build a transmission line to the bus-bar at Grand Coulee Dam, but if the Congress persists in cutting funds for transmission lines, that REA will be faced with three alternatives—either to build its own line to the bus-bar, or to purchase Federally generated power from a private company that has built a line to the bus-bar, or go out of business.

ARCHEOLOGICAL WORK—MCNARY RESERVOIR

I turn now to a problem of historical significance to the Pacific Northwest. The Department requested \$400,000 in fiscal 1949 for investigations and studies of the recreational resources and archeological remains in river basins of the United States. The House allowed \$122,954 for this purpose. One of the projects included in this item was archeological excavations to be conducted in the area behind McNary Dam, which will be flooded as the dam is completed.

The Department was particularly eager to uncover and preserve archeological data and materials in and around the historic site of Fort Walla Walla, Wash. Unless work is initiated this year, we run the risk as a Northwest region and as a Nation of losing forever significant pioneer historical data and even prehistoric objects and information. The Smithsonian Institution and the National Parks Service have surveyed important historic and archeological sites within the McNary Reservoir to determine the extent and seriousness of impending losses. There is no question that the site of Fort Walla Walla will be flooded, together with neighboring sites identified with villages where Indians were living at the time of the Lewis and Clark expedition. These latter sites contain trade goods of the Hudson's Bay Co. and the Northwest Fur Co. of the early nineteenth century, which will be lost. In addition, within the reservoir are situated at least 20 prehistoric Indian sites, including some extending back perhaps 4,000 years. I am informed that the recovery of unique and irreplaceable scientific data from these sites by selective archeological excavations provides the last opportunity to salvage the prehistory of a vital area of the Columbia River Basin.

It is the opinion of the Indian Service and the Smithsonian Institution that archeological excavations in the McNary Reservoir are more important than in any other reservoir in the Columbia Basin.

The Department has requested Bureau of the Budget to clear a supplemental request of \$61,250 for this important purpose. I am informed that the Bureau will probably act favorably on this request some time this week. I, therefore, urge the committee to add \$61,250 as insurance against the possible loss of this cultural and scientific heritage to the Pacific Northwest and to the country.

Stabilization of Agricultural Prices

SPEECH

OF

HON. JOHN PHILLIPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 12, 1948

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Agreement Act of 1937; and for other purposes.

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment introduced by the gentleman from California [Mr. GEARHART] is a good amendment, and I hope it may have the support of the Members of the House.

The point to which I particularly call attention is the fact that it differs from any amendments introduced, or discussed in regard to the support price program, in that this amendment does not say that citrus or dried fruits or raisins are to have a specific percentage of support but that the percentage of support is left to the decision of the Secretary of Agriculture.

A support program can be justified on certain grounds: One, that the commodities involved are those which have a material effect upon the economy of the country such as wheat, peanuts, corn, hogs, and so forth; or, that they are commodities which are involved at the moment in serious distress, or that they are commodities where there have been long-time preparation or large investments. In other words, as the gentleman from California [Mr. GEARHART] pointed out, the investment in tree fruits and vines may run to 7 years or more, in time and money involved. This seems to me to be an admirable amendment. I am glad the gentleman from California has introduced it. I shall vote for it myself and I hope, Mr. Chairman, that it may have the support of the House.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. AUGUST H. ANDRESEN. I notice the Commodity Credit Corporation has purchased 265,000,000 pounds of fresh and dried fruits, and I assume that is—

Mr. PHILLIPS of California. That is under the authority of section (c). The gentleman from California places it under section (b), where I think it belongs, and gives it this additional advantage, that it leaves the Secretary to determine the percentage of support.

Postal Employees—The Laborer Is Worthy of His Hire

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 1948

Mrs. DOUGLAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial from the Los Angeles Daily News.

Surely Congress will not adjourn without granting an adequate salary increase to the postal employees. The postal and Federal employees are a direct responsibility of Congress. Moreover Congress is responsible for having removed price controls.

The postal employee and the Federal worker today find it impossible to make ends meet.

The editorial which follows shows clearly how the people of Los Angeles feel about the plight of those who serve them so loyally and faithfully:

POLITICS OR POSTAL PAY?

If Congress insists upon rushing toward adjournment 1 week from today, leaving much critical legislation unfinished, it is going to have a lot to answer for.

In fact, the Republican leadership in the House and Senate must feel almost psychotically sure of itself to consign so much vital legislation to the limbo of unfinished business.

Here in Los Angeles, however, 8,000 postal employees and their families and friends are

27. FOREIGN AID APPROPRIATION BILL. Passed, 60-9, with amendments this bill, H. R. 6801 (pp. 8565-80). As-passed by the Senate, the appropriations would be for a 12-months period and would be as follows: Economic cooperation, \$4,000,000,000; government and relief in occupied areas, \$1,325,000,000; assistance to China, \$460,000,000; assistance to Greece and Turkey, \$250,000,000; International Children's Emergency Fund, \$20,000,000; and International Refugee Organization, \$70,710,228. The Senate increased the limitation on farm-machinery purchases from \$50,000,000 to \$75,000,000; inserted a provision that none of these funds be used for purchases of wool other than from CCC stocks until such stocks are exhausted; struck out the requirement that at least \$65,000,000 be used for nonfat dry milk solids; and removed the provision banning purchase of commodities for the program at prices higher than those in the U. S., but the committee report includes a statement which is quoted below. All these were committee amendments. In addition, agreed to an amendment by Sen. Morse, Oreg., to require the ECA Administrator and the Army Secretary to adjust export allotments of fertilizer materials and compounds by taking into account domestic needs of anhydrous ammonia to the end of supplying domestic fertilizer plants with enough of it to meet domestic fertilizer needs (p. 8579).

Excerpts from committee report:

Prices. "The committee believes that no funds made available under this act should be used to purchase commodities, except under limited special circumstances, at more than the current market price in the United States at the time of the purchase, making adjustments for differences in the cost of transportation to destination, quality, and terms of payment. Limited deviation from this rule will be justified in special situations as, for example, for off-shore purchases when purchases in the United States might materially force up the market price because of insufficient supply, or in which the Department of Commerce might feel that export licenses should not be granted, or for domestic purchases from the Commodity Credit Corporation.

"The committee recognizes that any direct prohibition of such purchases would present an almost insurmountable task of policing if every transaction made through private channels is to be checked. Some check might be furnished by requiring a certificate from the supplier that the price charged by him was not in excess of the current market price at the time.

"Some deviations from this general price policy will normally occur in the ordinary course of business. However, the Administrator is expected to limit strictly material deviations from this general price policy. Flagrant or constant violation shall be considered by him as reason to employ sanctions contained in section 118 of the act."

Fertilizers. "The committee has refused to recommend an amendment requested by the Army to allow the use of occupied area funds for the expansion of fertilizer plants in this country. It was brought to the attention of the committee that the Army has been negotiating many months for a lease of one of four of the plants involved in the Army plans. The several prospective lessees have offered to increase the production of fertilizer to the amount contemplated by the Army. It is the opinion of the committee that these plants should be leased as soon as feasible on terms favorable to the Government, and that the Army should not attempt to manufacture fertilizer for itself on a cost-plus contract basis where the Army facilities can be leased to private enterprise with profit to the Government.

Sens. Bridges, Gurney, Brooks, Reed, McKellar, Hayden, and Thomas of Okla. were appointed conferees on the bill (p. 8530).

28. GOVERNMENT CORPORATIONS APPROPRIATION BILL. Passed with amendments this bill, H. R. 6481 (pp. 8504, 8507-48). Sens. Ferguson, Reed, Wherry, McKellar, and Russell were appointed conferees (p. 8548). Agreed, 45-37, to a committee amendment including \$4,000,000 for a TVA steam plant (pp. 8507-40). Several Senators discussed the FCA items (pp. 8540-2). Agreed to an amendment by Sen. Cooper, Ky., to provide that the \$20,000,000 of production credit corporation funds be returned to the revolving fund instead of the Treasury (pp. 8546-7).
29. FARM PROGRAM. Began debate on S. 2318, the Aiken long-range farm-program bill (pp. 8553-65). The time was taken by an explanation of the bill, by Sen. Aiken. Debate on this bill is to continue today.
30. WATER POLLUTION. Senate conferees were appointed on S. 418, to control water pollution through the Public Health Service (pp. 8550-3).
31. NAVAL APPROPRIATION BILL. Passed as reported this bill, H. R. 6772; and conferees were appointed (pp. 8554-8).
32. OLEOMARGARINE TAXES. Voted, 57-26, in favor of a motion by Sen. Fulbright, Ark., to take up H. R. 2245, which would repeal oleo taxes. Sen. Langer, N. Dak., then offered an anti-lynching rider, and no action was taken on the bill (pp. 8499-502).
33. FOREST LANDS. The Agriculture and Forestry Committee reported without amendment S. 2816, to direct the Secretary of Agriculture to convey a small tract of forest land to Oklahoma for the construction of a dam (S.Rept. 1628) (p. 8487).
34. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H.R. 6454, to amend the Civil Service Retirement Act so as to provide annuities for certain Federal employees who have rendered at least 20 years of service in the investigation and apprehension of persons suspected or convicted of offenses against the U.S. (S.Rept. 1668) (p. 8489).

The Post Office and Civil Service Committee reported without amendment H.R. 4917, to provide further benefits for certain employees of the U.S. who are veterans of World War II and lost opportunity for probational civil-service appointments by reason of their service in the armed forces of the U.S., and who, due to service-connected disabilities, are unable to perform the duties of the positions for which examinations were taken (S.Rept. 1660) (p. 8489).

The Post Office and Civil Service Committee reported without amendment S. 2740, to amend the Civil Service Retirement Act relative to the naming of beneficiaries prior to April 1, 1948 (S.Rept. 1685) (p. 8553).
35. VETERANS' BENEFITS. The Labor and Public Welfare Committee reported with amendment S. 2790, to amend the Servicemen's Readjustment Act so as to provide a secondary market for GI loans (S.Rept. 1701) (p. 8553).
36. ASSISTANT SECRETARIES. The Foreign Relations Committee reported an original bill, S. 2869, continuing the authority for the appointment of two additional Assistant Secretaries of State for 1 year (S.Rept. 1683) (p. 8553).

BILLS INTRODUCED

37. COMMODITY EXCHANGES. H.Res. 674, by Rep. Andresen, Minn., providing \$10,000 additional for the Select Committee to Investigate Transactions on Commodity Exchanges. To Administration Committee. (p. 8484.)
38. FARM PROGRAM. H.Res. 676, by Rep. Gamble, N.Y., providing \$5,000 for the Agriculture Committee to make studies and investigations into matters relating to agriculture. To Administration Committee. (p. 8484.)
39. TOBACCO; TAXATION. H.R. 6934, by Rep. Grant, Ind., to provide, in certain cases, that internal-revenue stamps may be affixed in foreign countries to tobacco products manufactured in such countries before importation into the U.S. To Ways and Means Committee. (p. 8484.)
40. HOUSING. H.R. 6923, by Rep. Angell, Ore., to authorize the Housing and Home Finance Administrator to make loans to provide housing accommodations for families in the Vancouver-Portland area deprived of their homes as a result of the flood disaster. To Banking and Currency Committee. (p. 8484.) Remarks of author (p. 8411).
H.R. 6924, by Rep. Angell, Ore., to aid in the production of permanent housing in the Portland, Ore.-Vancouver, Wash., area. To Banking and Currency Committee. (p. 8484.) Remarks of author (p. 8411).
H.Res. 675, by Rep. Gamble, N.Y., to provide funds for the expenses of the Joint Committee on Housing for the purpose of concluding its business. To Administration Committee. (p. 8484.)
S. 2863, by Sen. Morse, Ore. (for himself and others), to authorize the Housing and Home Finance Administrator to make loans to provide housing accommodations for families in the Vancouver-Portland area deprived of their homes as a result of the flood disaster. To Banking and Currency Committee. (p. 8490.) Remarks of author (pp. 8490-2).
S. 2871, by Sen. Morse, Ore. (for himself and others), to aid in the production of permanent housing in the Portland, Ore.-Vancouver, Wash., area. To Banking and Currency Committee. Remarks of author. (pp. 8553-4).
41. ALASKAN TRANSPORTATION. S. 2867, by Sen. Magnuson, Wash. (for himself and Sen. Butler, Nebr.), providing for the construction of a railroad connecting the existing railroad system serving the U.S. and Canada and terminating at Prince George, British Columbia, Canada, with the railroad system serving Alaska and terminating at Fairbanks, Alaska. To Foreign Relations Committee. (p. 8553.)

ITEMS IN APPENDIX

42. TRANSPORTATION. Extension of remarks of Rep. Rankin, Miss., urging appropriations for construction of the Tennessee-Tombigbee Inland Waterway (pp. A4071-2).
Extension of remarks of Rep. Wolverton, N.J., "An Answer to President Truman's Veto Message on the Bulwinkle Bill" (pp. A4111-2).
Rep. Grant, Ind., inserted a Wall Street Journal editorial criticizing the veto of the Bulwinkle bill (p. A4113).
Extension of remarks of Rep. Bulwinkle, N.C., discussing the President's veto message on S. 110, the Bulwinkle transportation rate-agreement bill (p. A4126).
43. PRICE SUPPORTS; DAIRY INDUSTRY. Extension of remarks of Rep. Murray, Wis., claiming, "the Secretary of Agriculture has not followed the law nor the spirit of the Steagall amendment in regard to dried skin milk," and including a letter

to Sen. Wiley, Wis., on the subject (p. A4111).

Extension of remarks of Rep. Murray, Wis., in favor of the amendment to the Foreign Aid Appropriation bill to provide \$65,000,000 for dried skin milk in the ECA program (p. A4122).

44. TAXATION. Extension of remarks of Rep. Knutson, Minn., explaining H.R. 6712, to make technical changes in the Internal Revenue Code (pp. A4073-7).

45. ALASKA; ELECTRIFICATION. Extension of remarks of Del. Bartlett, Alaska, pointing out the power needs of Alaska (pp. A4088-9).

46. RURAL ELECTRIFICATION. Extension of remarks of Rep. MacKinnon, Minn., discussing the progress of REA (p. A4093).

47. FARM PROGRAM. Rep. Buchanan, Pa., inserted President Truman's recent address at the Greater Los Angeles Press Club which includes comments on the long-range farm program (pp. A4096-8).

48. FOREIGN AID; INFLATION. Rep. Woodruff, Mich., inserted a N.Y. Journal-American article, "Kennedy Says Inflation Big Danger of ERP" (pp. A4098-9).

49. HOUSING. Various remarks and insertions on the housing bills (pp. A4082-4, A4-89-91, A4094-5, A4096).

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COMMITTEE HEARINGS ANNOUNCEMENTS for June 16: Andresen Committee, USDA grain buying (Brannan to testify); H. Agriculture, farm-labor supply bill (ex.); H. Expenditures in the Executive Departments, Federal traffic activities; S. Appropriations, Military Establishments appropriation (ex.); conference on displaced-persons bill (ex.); H. Rules, housing bill.

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 113 Adm.

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S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENTS

(IN THE NATURE OF A SUBSTITUTE)

Intended to be proposed by Mr. BREWSTER (for himself and Mr. MORSE) to the bill (S. 2318) to provide for a coordinated agricultural program, viz: Strike out all after the enacting clause and insert in lieu thereof the following:

1 That, notwithstanding any other provision of law, the
2 Secretary of Agriculture is authorized and directed through
3 any instrumentality or agency within or under the direction
4 of the Department of Agriculture, by loans, purchases, or
5 other operations—

6 (a) To support prices received by producers of cotton,
7 wheat, corn, tobacco, rice, and peanuts marketed before
8 June 30, 1950, if producers have not disapproved marketing
9 quotas for such commodity for the marketing year beginning

1 in the calendar year in which the crop is harvested. The
2 price support authorized by this subsection shall be made
3 available as follows:

4 (1) To cooperators at the rate of 90 per centum
5 of the parity price for the commodity as of the beginning
6 of the marketing year;

7 (2) To noncooperators at the rate of 60 per centum
8 of the rate specified in (1) above and only on so much
9 of the commodity as would be subject to penalty if
10 marketed.

11 All provisions of law applicable with respect to loans under
12 the Agricultural Adjustment Act of 1938, as amended, shall,
13 insofar as they are consistent with the provisions of this sub-
14 section, be applicable with respect to loans or other price-
15 support operations authorized under this subsection.

16 (b) To support until June 30, 1950, a price to pro-
17 ducers of commodities with respect to which the Secretary
18 of Agriculture by public announcement pursuant to the
19 provisions of the Act of July 1, 1941, as amended, requested
20 an expansion of production of not less than 60 per centum
21 of the parity or comparable price therefor nor more than
22 the level at which such commodity was supported in 1948,
23 except that Irish potatoes harvested before January 1, 1949,
24 milk and its products, hogs, chickens, and eggs shall be
25 supported at 90 per centum of the parity or comparable

1 price. The comparable price for any such commodity shall
2 be determined and used by the Secretary for the purposes
3 of this subsection if the production or consumption of such
4 commodity has so changed in extent or character since the
5 base period as to result in a price out of line with parity
6 prices for the commodities referred to in (a) hereof. In
7 carrying out the provisions of this subsection the Secretary
8 of Agriculture shall have the authority to require compliance
9 with production goals and marketing regulations as a con-
10 dition to eligibility of producers for price support.

11 (c) Sections 1 and 3 of the Act approved August 5,
12 1947 (Public Law 360, Eightieth Congress), are amended
13 by striking out in each section the date "December 31, 1948"
14 wherever it appears and inserting in lieu thereof the date
15 "June 30, 1950".

16 (d) It is hereby declared to be the policy of the Con-
17 gress that the lending and purchase operations of the Depart-
18 ment of Agriculture (other than those referred to in sub-
19 sections (a), (b), and (c) hereof) shall be carried out so
20 as to bring the price and income of the producers of other
21 agricultural commodities not covered by subsections (a),
22 (b), and (c) to a fair parity relationship with the com-
23 modities included under subsections (a), (b), and (c),
24 to the extent that funds for such operations are available
25 after taking into account the operations with respect to the

1 commodities covered by subsections (a), (b), and (c). In
2 carrying out the provisions of this subsection the Secretary
3 of Agriculture shall have the authority to require compliance
4 with production goals and marketing regulations as a condi-
5 tion to eligibility of producers for price support.

6 SEC. 2. From any funds available to the Department
7 of Agriculture or any agency operating under its direction
8 for price support operations or for the disposal of agricul-
9 tural commodities, the Secretary of Agriculture is author-
10 ized and directed to use such sums as may be necessary to
11 carry out the provisions of section 1 of this Act.

12 SEC. 3. Section 22 of the Agricultural Adjustment Act,
13 as added by section 31 of the Act of August 24, 1935
14 (49 Stat. 773), reenacted by section 1 of the Agricultural
15 Marketing Agreement Act of 1937 (50 Stat. 246), as
16 amended, is hereby amended to read as follows:

17 "SEC. 22. (a) Whenever the President has reason to
18 believe that any article or articles are being or are practically
19 certain to be imported into the United States under such
20 conditions and in such quantities as to render or tend to
21 render ineffective, or materially interfere with, any program
22 or operation undertaken under this title or the Soil Conserva-
23 tion and Domestic Allotment Act, as amended, or section
24 32, Public Law Numbered 320, Seventy-fourth Congress,
25 approved August 24, 1935, as amended, or any loan, pur-

1 chase, or other program or operation undertaken by the
2 Department of Agriculture, or any agency operating under
3 its direction, with respect to any agricultural commodity or
4 product thereof, or to reduce substantially the amount of any
5 product processed in the United States from any agricultural
6 commodity or product thereof with respect to which any such
7 program or operation is being undertaken, he shall cause
8 an immediate investigation to be made by the United States
9 Tariff Commission, which shall give precedence to investiga-
10 tions under this section to determine such facts. Such in-
11 vestigation shall be made after due notice and opportunity
12 for hearing to interested parties, and shall be conducted
13 subject to such regulations as the President shall specify.

14 “(b) If, on the basis of such investigations and report
15 to him of findings and recommendations made in connec-
16 tion therewith, the President finds the existence of such
17 facts, he shall by proclamation impose such fees not in excess
18 of 50 per centum ad valorem or such quantitative limita-
19 tions on any article or articles which may be entered, or
20 withdrawn from warehouse, for consumption as he finds and
21 declares shown by such investigation to be necessary in
22 order that the entry of such article or articles will not render
23 or tend to render ineffective, or materially interfere with,
24 any program or operation referred to in subsection (a),

1 of this section, or reduce substantially the amount of any
2 product processed in the United States from any such agri-
3 cultural commodity or product thereof with respect to which
4 any such program or operation is being undertaken: *Pro-*
5 *vided*, That no proclamation under this section shall impose
6 any limitation on the total quantity of any article or articles
7 which may be entered, or withdrawn from warehouse, for
8 consumption which reduces such permissible total quantity
9 to proportionately less than 50 per centum of the total
10 quantity of such article or articles which was entered, or
11 withdrawn from warehouse, for consumption during a repre-
12 sentative period as determined by the President: *And pro-*
13 *vided further*, That in designating any article or articles,
14 the President may describe them by physical qualities, value,
15 use, or upon such other bases as he shall determine.

16 “(c) The fees and limitations imposed by the Presi-
17 dent by proclamation under this section and any revocation,
18 suspension, or modification thereof, shall become effective
19 on such date as shall be therein specified, and such fees shall
20 be treated for administrative purposes and for the purposes
21 of section 32 of Public Law Numbered 320, Seventy-fourth
22 Congress, approved August 24, 1935, as amended, as duties
23 imposed by the Tariff Act of 1930, but such fees shall not
24 be considered as duties for the purpose of granting any

1 preferential concession under any international obligation
2 of the United States.

3 “(d) After investigation, report, finding, and declara-
4 tion in the manner provided in the case of a proclamation
5 issued pursuant to subsection (b) of this section, any
6 proclamation or provision of such proclamation may be sus-
7 pended or terminated by the President whenever he finds
8 and proclaims that the circumstances requiring the proclama-
9 tion or provision thereof no longer exist or may be modified
10 by the President whenever he finds and proclaims that
11 changed circumstances require such modifications to carry
12 out the purposes of this section.

13 “(e) Any decision of the President as to facts under
14 this section shall be final.

15 “(f) No proclamation under this section shall be en-
16 forced in contravention of any treaty or other international
17 agreement to which the United States is or hereafter becomes
18 a party.”

19 SEC. 4. This Act shall take effect on January 1, 1949,
20 except that section 3 shall take effect on the date of enact-
21 ment of this Act.

Amend the title so as to read: “An Act to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.”

80TH CONGRESS
2D SESSION

S. 2318

AMENDMENTS

(IN THE NATURE OF A SUBSTITUTE)

Intended to be proposed by Mr. Brewster (for himself and Mr. Morse) to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. AIKEN to the bill (S. 2318)
to provide for a coordinated agricultural program, viz:

1 On page 48, line 7, strike out the word "incentive".

2 On page 49, lines 3 and 4, strike out "distributors, and
3 consumers" and insert "and distributors".

4 On page 50, beginning with the word "Division" in
5 line 15, strike out down to and including the word "in"
6 in line 17 and insert "Secretary acting through".

7 On page 54, beginning with line 5, strike out all down
8 to and including line 12 and insert in lieu thereof the
9 following:

10 "SEC. 103. The Secretary shall establish within the
11 Office of Experiment Stations an organizational unit to carry

1 out the functions assigned to him by section 101 (b) of
 2 this Act. Not more than 5 per centum of any Federal
 3 funds made available for research projects supervised by such
 4 organizational unit shall be available for its expenses”.

5 On page 52, line 3, strike out the words “heretofore or”.

6 On page 56, line 5, after the word “may” insert a
 7 comma and the following: “with the approval of the State
 8 agricultural council,”.

9 On page 57, beginning with the word “Each” in line 6,
 10 strike out all down to and including the word “members”
 11 in line 7 and insert in lieu thereof the following: “The
 12 elected members of each county agricultural program com-
 13 mittee shall elect annually from among their number”.

14 On page 57, line 13, strike out “elected”.

15 On page 57, line 16, after the word “election”, strike
 16 out “by” and insert “from among their number by the
 17 elected members of”.

18 On page 62, line 14, strike out “elected”.

19 On page 63, line 11, after the word “program” insert
 20 “executive”.

21 On page 68, lines 11 and 12, strike out “soil-terracing”.

22 On page 68, line 18, strike out “soil-terracing”.

23 On page 69, line 21, strike out “, and benefits received
 24 from,”.

80TH CONGRESS
2D Session

S. 2318

AMENDMENTS

Intended to be proposed by Mr. ARKEN to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. AIKEN to the bill (S. 2318)
to provide for a coordinated agricultural program, viz: On
page 96, strike out beginning with line 14 down to and
including line 17 and insert in lieu thereof the following:

1 COMMODITY CREDIT CORPORATION CONTINUED AS AGENCY
2 OF THE UNITED STATES

3 SEC. 404. The first sentence of subsection (a) of section
4 7 of the Act approved January 31, 1935 (49 Stat. 4), as
5 amended (is amended by striking out "June 30, 1948" and
6 inserting in lieu thereof "June 30, 1949").

7 EFFECTIVE DATE

8 SEC. 405. This Act shall take effect on January 1, 1949,
9 except that sections 402 and 404 shall take effect upon
10 the enactment of this Act.

S. 2318

AMENDMENT

Intended to be proposed by Mr. ARKEN to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

80TH CONGRESS
2D SESSION

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. AIKEN to the bill (S. 2318)
to provide for a coordinated agricultural program, viz:

1 On page 58, beginning with line 5 strike out all down to
2 and including line 12 on page 61, and insert in lieu thereof
3 the following:

4 “SEC. 108. (a) For each State of the United States
5 there shall be a State agricultural council consisting of the
6 ex officio members hereinafter specified who shall have no
7 vote, four farmer members, and as many additional farmer
8 members as may be specified in accordance with the pro-
9 visions of this section; but the number of additional farmer
10 members so specified shall not exceed the greater of (1) two,
11 or (2) one for each full twenty counties in the State, plus

1 one if the number of counties in the State is not evenly
2 divisible by twenty and exceeds by more than ten the mul-
3 tiple of twenty which it least exceeds. The Commis-
4 sioner (or Secretary or Director, as the case may be) of
5 Agriculture, or his designee, the Director of the Agricultural
6 Experiment Station, or his designee, and the Director of the
7 Agricultural Extension Service, or his designee, for such
8 State shall be the ex officio members.

9 “(b) The farmer members shall be appointed by the
10 Secretary from among farmers nominated, by majority vote,
11 by the chairmen of the county agricultural program execu-
12 tive committees of the State, three nominations being sub-
13 mitted for each appointment to be made. Not more than
14 two of the three nominations for any appointment shall be
15 from among the number of such chairmen. The farmer
16 members first appointed after the enactment of this Act
17 shall be appointed for three-, two-, and one-year terms in as
18 nearly equal groups as may be possible; and their successors
19 shall be appointed for three-year terms. Vacancies occurring
20 among the farmer members shall be filled for the unexpired
21 terms by appointment by the Secretary from among the
22 farmers nominated, but not appointed, at the time of the
23 last regular appointment prior to the occurrence of such
24 vacancies. No farmer member shall be appointed for any
25 term which, with any previous periods of service by him as

1 such a member, would exceed five years during any six-year
2 period.

3 “(c) The number of additional farmer members, if any
4 (not exceeding the maximum number prescribed by the first
5 sentence of this section), to be appointed first after the
6 enactment of this Act shall be specified by the ex officio
7 members of the State agricultural council. The number of
8 additional farmer members thereafter to be appointed shall
9 be specified by the State agricultural council. Should the
10 number of additional farmer members at any time be in-
11 creased as provided by this section, the additional farmer
12 members so added shall be appointed for such terms that
13 the number of terms expiring in succeeding years shall,
14 as nearly as may be possible, be equal. Any decrease, as
15 provided by this section, in the number of additional farmer
16 members shall be made by allowing terms to expire without
17 appointing successors in such manner that the number of
18 terms expiring annually after the decrease has been com-
19 pleted shall, as nearly as may be possible, be equal.

20 “(d) The State agricultural council shall develop plans
21 to effectuate the purposes of section 7 of the Soil Conserva-
22 tion and Domestic Allotment Act in its State, shall perform
23 the functions assigned to it pursuant to section 101 (c) of
24 this Act and such other functions within its State as the
25 Secretary may assign to it, shall supervise and direct the

1 work of the county agricultural program and executive com-
2 mittees in its State, and shall otherwise cooperate with the
3 Secretary in the planning and carrying out of soil conserva-
4 tion programs in its State. It shall elect from among its
5 number a chairman, vice chairman, and secretary, shall
6 employ, on an annual basis, a State administrator and may
7 employ such other personnel as it may deem necessary to
8 carry out its functions. In carrying out the functions assigned
9 to it, and subject to the approval of the Secretary, it may
10 enter into arrangements with (1) the Agricultural Exten-
11 sion Service in its State for the conduct of educational and
12 demonstrational programs and (2) State agricultural coun-
13 cils of other States for cooperation on matters of mutual in-
14 terest. Federal grants-in-aid for programs administered by
15 the State agricultural council shall be disbursed by the
16 appropriate agency of the State only pursuant to direction
17 by the State agricultural council. Any grants-in-aid or other
18 funds allocated to a State for programs administered by the
19 State agricultural council may be withheld or recalled by the
20 Secretary if he determines that such council is not faith-
21 fully administering the programs assigned to it.”

22 On page 48, lines 10 and 11, strike out “after consulta-
23 tion with” and insert “upon the recommendation of”.

24 On page 62, line 9, strike out “elected” and insert
25 “farmer”.

1 On page 63, line 18, strike out “Election” and insert
2 “Appointment”.

3 On page 64, lines 8 and 9, strike out “after consultation
4 with” and insert “upon the recommendation of”.

5 On page 65, lines 14 and 15, strike out “after con-
6 sultation with” and insert “upon the recommendation of”.

7 On page 69, line 11, strike out “after consultation
8 with” and insert “upon the recommendation of”.

9 On page 69, line 15, strike out “after consultation with”
10 and insert “upon the recommendation of”.

11 On page 69, line 23, strike out “after consultation with”
12 and insert “upon the recommendation of”.

80TH CONGRESS
2D SESSION

S. 2318

AMENDMENTS

Intended to be proposed by Mr. Aiken to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. AIKEN to the bill (S. 2318)
to provide for a coordinated agricultural program, viz:

1 On page 51, beginning with line 1, strike out all down
2 to and including the word "recalled" in line 10 and insert
3 in lieu thereof "Except as provided in clauses (a) and (b)
4 of this section, the furnishing of technical assistance, and
5 machinery and equipment to soil-conservation districts and
6 others, as heretofore performed by the Soil Conservation
7 Service, shall be performed by the Bureau of Agricultural
8 Conservation and Improvement in cooperation with the
9 State agricultural councils established pursuant to this Act
10 and the soil-conservation districts established by State laws".

80TH CONGRESS
2d Session

S. 2318

AMENDMENT

Intended to be proposed by Mr. ARKEN to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. PEPPER (for himself and Mr. DOWNEY) to the bill (S. 2318) to provide for a coordinated agricultural program, viz:

- 1 On page 77, line 19, strike out “and (7)” and insert
- 2 in lieu thereof the following: “(7) the need for offsetting
- 3 temporary losses of export markets, and (8) ”.

6-15-48—G

AMENDMENT

Intended to be proposed by Mr. PEPPER (for himself and Mr. DOWNER) to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. PEPPER (for himself and Mr. DOWNEY) to the bill (S. 2318) to provide for a coordinated agricultural program, viz: On page 49, after lines 13 and 14, insert the following:

1 (16) to assist in the retention of foreign outlets in
2 order to (a) maintain long-run export demands, (d)
3 prevent short-run demoralization of domestic markets,
4 and (c) maintain productive capacity sufficient to
5 satisfy expected long-run domestic markets plus foreign
6 demand for agricultural products.

AMENDMENT

Intended to be proposed by Mr. PEPPER (for himself and Mr. DOWNER) to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. RUSSELL to the bill (S. 2318)
to provide for a coordinated agricultural program, viz:

- 1 On page 72, line 6, after the comma insert "wages paid
- 2 hired farm labor,"
- 3 On page 72, line 9, after "prices," insert "wages,"

6-15-48—I

80TH CONGRESS
2d Session

S. 2318

AMENDMENTS

Intended to be proposed by Mr. Russell to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. RUSSELL to the bill (S. 2318)
to provide for a coordinated agricultural program, viz:

1 On page 72, line 6, after the comma insert the following:
2 “costs of all farm labor (on the basis of the national average
3 and including hired workers, farm operators, and members
4 of the families of farm operators engaged in work on the
5 farm, computed for all such labor on the basis of wage rates
6 for hired farm labor) ,”.

7 On page 72, line 9, after “prices,” insert “costs,”

80TH CONGRESS
2d Session

S. 2318

AMENDMENTS

Intended to be proposed by Mr. Russell, to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

80TH CONGRESS
2D SESSION

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. RUSSELL to the bill (S. 2318)
to provide for a coordinated agricultural program, viz:

1 On page 71, between lines 11 and 12, insert the
2 following:

3 “(1) (A) The ‘parity price’ for any agricultural com-
4 modity, as of any date, shall be—

5 “(i) that price for the commodity which will give
6 to the commodity a purchasing power with respect to
7 articles that farmers buy equivalent to the purchasing
8 power of such commodity in the base period; and which
9 will also reflect current interest payments per acre on
10 farm indebtedness secured by real estate, tax payments
11 per acre on farm real estate, costs of all farm labor (on

the basis of the national average and including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm, computed for all such labor on the basis of wage rates for hired farm labor), and freight rates, as contrasted with such interest payments, tax payments, farm labor costs, and freight rates during the base period; or

“(ii) the alternative parity price for the commodity determined as provided in subparagraph (B) of this paragraph,

whichever is higher. For the purpose of clause (i) of the preceding sentence the base period shall be the period August 1909 to July 1914 in the case of all agricultural commodities except tobacco, the period August 1919 to July 1929 in the case of all kinds of tobacco except burley and flue-cured, and the period August 1934 to July 1939 in the case of burley and flue-cured tobacco.

On page 71, line 12, strike out “(1) (A) The ‘parity price’” and insert in lieu thereof “(B) The ‘alternative parity price’”.

On page 71, line 16, strike out “(B)” and insert in lieu thereof “(C)”.

On page 72, line 4, strike out “(C)” and insert in lieu thereof “(D)”.

On page 72, line 7, before the word “and” insert the

1 following: “costs of all farm labor (on the basis of the
2 national average and including hired workers, farm operators,
3 and members of the families of farm operators engaged in
4 work on the farm, computed for all such labor on the basis
5 of wage rates for hired farm labor),”.

6 On page 2, line 9, after “rates,” insert “costs,”.

7 On page 72, line 11, strike out “(D)” and insert in
8 lieu thereof “(E)”.

9 Beginning with line 14 on page 72 strike out all down
10 to and including line 4 on page 73.

11 On page 73, line 6, strike out “and (E)”.

12 On page 73, lines 7 and 8, strike out “subparagraphs
13 (A) and (E)” and insert in lieu thereof “subparagraph
14 (A)”.

80TH CONGRESS
2D SESSION

S. 2318

AMENDMENTS

Intended to be proposed by Mr. Russell to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. SPARKMAN to the bill (S. 2318)
to provide for a coordinated agricultural program, viz:

- 1 On page 74, line 15, amend the committee amendment
- 2 by striking out the words "either" and "or".
- 3 On page 74, line 16, strike out the word "without".

AMENDMENTS

Intended to be proposed by Mr. SPARKMAN to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SPARKMAN to the bill (S. 2318)
to provide for a coordinated agricultural program, viz:

- 1 On page 87, line 8, amend the committee amendment
- 2 by striking out "70" and inserting "90".

6-15-48—M

80TH CONGRESS
2D SESSION

S. 2318

AMENDMENT

Intended to be proposed by Mr. SPARKMAN to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 15, 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SPARKMAN to the bill (S. 2318)
to provide for a coordinated agricultural program, viz:

- 1 On page 75, line 12, amend the committee amendment
- 2 by striking out the numeral "23" and inserting the numeral
- 3 "40".

6-15-48—N

AMENDMENT

Intended to be proposed by Mr. SPARKMAN to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 15, 1948

Ordered to lie on the table and to be printed

The amendment was agreed to.

The next amendment was, under the subhead "Maintenance, Bureau of Supplies and Accounts," on page 15, line 14, after "(Public Law 248)", to strike out "\$200,000,000" and insert "\$218,000,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Yards and Docks—Maintenance, Bureau of Yards and Docks," on page 17, line 9, after the word "housing", to strike out "\$4,500,000" and insert "\$4,875,000"; in line 10, after the words "in all", to strike out "\$150,000,000" and insert "\$150,375,000"; and in line 18, after the word "located", to insert a colon and the following additional proviso:

Provided further, That this appropriation shall be available for any expenses incident to transferring offices of the Navy Department between buildings at the seat of Government.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Aeronautics—Aviation, Navy," on page 18, line 10, after "(Public Law 604)", to strike out "\$440,000,000" and insert "\$470,000,000"; and in line 12, after the words "in all", to strike out "\$575,000,000" and insert "\$605,000,000."

The amendment was agreed to.

The next amendment was, under the heading "Marine Corps—Pay, Marine Corps," on page 19, line 13, after the word "conditions", to strike out "\$144,862,000" and insert "\$145,744,000."

The amendment was agreed to.

The next amendment was, on page 19, line 16, after the word "law", to strike out "\$14,400,000" and insert "\$15,313,000."

The amendment was agreed to.

The next amendment was, on page 19, line 20, after the words "In all", to strike out "\$199,492,000" and insert "\$201,287,000."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Marine Corps," on page 22, line 13, after the word "Reserve", to strike out "\$130,000,000" and insert "\$134,700,000."

The amendment was agreed to.

The next amendment was, under the heading "Shipbuilding—Increase and replacement of naval vessels," on page 24, line 2, after the word "vessels", to insert a colon and the following proviso:

Provided, That of the balances remaining of appropriations under this head, there shall be available during the fiscal year 1949 such sums as the Secretary may from time to time determine to be necessary for the employment of personnel in the Bureau of Ships and the Bureau of Ordnance in connection with the construction of vessels which have been heretofore authorized under this head.

The amendment was agreed to.

The next amendment was, under the heading "Navy Department, salaries," on page 24, line 15, after the word "services", to strike out "\$3,641,000" and insert "\$4,239,000."

The amendment was agreed to.

The next amendment was, on page 24, line 17, after the word "Research", to strike out "\$1,152,000" and insert "\$1,262,000."

The amendment was agreed to.

The next amendment was, on page 24, line 18, after the word "Library", to strike out "\$60,000" and insert "\$78,000."

The amendment was agreed to.

The next amendment was, on page 24, line 19, after the word "General", to strike out "\$294,300" and insert "\$316,300."

The amendment was agreed to.

The next amendment was, on page 24, line 20, after the word "Operations", to strike out "\$1,125,000" and insert "\$1,325,000."

The amendment was agreed to.

The next amendment was, on page 24, line 22, after the word "Survey", to strike out "\$36,000" and insert "\$40,000."

The amendment was agreed to.

The next amendment was, on page 24, line 25, after the word "Personnel", to strike out "\$3,870,000" and insert "\$5,194,000."

The amendment was agreed to.

The next amendment was, on page 25, line 1, after the word "Ships", to strike out "\$5,715,000" and insert "\$6,702,000."

The amendment was agreed to.

The next amendment was, on page 25, line 2, after the word "Ordnance", to strike out "\$2,757,600" and insert "\$3,267,600."

The amendment was agreed to.

The next amendment was, on page 25, line 3, after the word "Accounts", to strike out "\$3,960,000" and insert "\$4,810,000."

The amendment was agreed to.

The next amendment was, on page 25, line 5, after the word "Surgery", to strike out "\$970,200" and insert "\$1,122,200."

The amendment was agreed to.

The next amendment was, on page 25, line 6, after the word "Docks", to strike out "\$2,000,000" and insert "\$2,175,000."

The amendment was agreed to.

The next amendment was, on page 25, line 8, after the word "Department", to strike out "\$30,111,100" and insert "\$35,111,110."

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses", on page 25, line 17, after the word "offices", to strike out "\$1,000,000" and insert "\$1,100,000."

The amendment was agreed to.

The next amendment was, under the heading "General provisions—Department of the Navy," on page 28, line 17, after the word "violence", to strike out the comma and "or who is a member of any labor organization the officers of which have not complied with the requirements of subsection (h) of section 9 of the National Labor Relations Act as amended by the Labor-Management Relations Act, 1947"; and on page 29, line 5, after the word "violence", to strike out the comma and "or that such person is not a member of any labor organization the officers of which have not complied with the requirements of subsection (h) of section 9 of the National Labor Relations Act as amended by the Labor-Management Relations Act, 1947."

The amendment was agreed to.

The next amendment was, on page 32, after line 22, to insert:

Sec. 112. No part of the appropriations made in this act shall be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant; and no moneys herein appropriated for the Naval Establishment or made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government naval shipyards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government, except when the repair, purchase, or acquirement, by or from any private contractor, would, in the opinion of the Secretary, be advantageous to the national defense.

Mr. SALTONSTALL. Mr. President, I offer as a substitute an amendment to the committee amendment, printed as section 112.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. In lieu of the amendment of the committee beginning on page 32, after line 23, it is proposed to insert the following:

No part of the appropriations made in this act shall be available for contracts with any person, firm, or corporation to make or cause to be made with a stop watch or other time-measuring device a time study of any job of any employee; no part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person or persons having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant; and no moneys herein appropriated for the Naval Establishment or made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government naval shipyards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government, except when the repair, purchase, or acquirement, by or from any private contractor, would, in the opinion of the Secretary, be advantageous to the national defense.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Vermont.

Mr. FLANDERS. Did I correctly understand the Senator from Massachusetts to say that this is a committee amendment?

Mr. SALTONSTALL. Mr. President, it is not a committee amendment. It is an amendment which has been in Navy appropriation bills since approximately 1915. It is a prohibition against the stopwatch time-studies as practiced in the Navy industrial establishments. It was inserted by the Subcommittee on Navy Appropriations this year and eliminated by a tie vote in the full committee. The amendment simply reinserts the provision in the bill. It has been in all Navy appropriation bills since the late Senator Borah started it in 1912, I believe.

Mr. FLANDERS. The Senator says that the provision has been in the Navy bills since 1912. That is 36 years too long, in my estimation. The Navy, in these words, has been prevented from following accepted and acceptable practices which are followed in practically every other industry in the Nation. I am opposed to the amendment.

Mr. SALTONSTALL. Mr. President, I should like to call the attention of the Senator from Vermont to the fact that naval workers are not allowed to strike, as other workers are, and this provision has worked well through two wars. In my opinion, this is a wrong time for the practice to be changed, when we are trying to stimulate work in naval establishments.

I hope the amendment will be adopted.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. WHERRY. This amendment is a substitute for the entire section 112, is it not?

Mr. SALTONSTALL. It substitutes the first four lines. The balance of the section is as printed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL]. [Putting the question.] The "ayes" seem to have it.

Mr. WHERRY. Mr. President, I ask for a division.

On a division, the amendment was agreed to.

The PRESIDING OFFICER. The question is now on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. TOBEY. Mr. President, a query comes to my mind, very naturally, as I have heard the amendments stated. There are probably 40 as to which there is a hundred percent record, that is, the appropriations have been increased over the amounts carried by the House bill. The query is, Why does it happen that way? What would happen if, when a bill came before the Senate, we found that in a few instances the amounts had been reduced? How does the Senator account for that?

Mr. SALTONSTALL. I respectfully reply to the Senator that he is not 100 percent correct.

Mr. TOBEY. How much am I off the beam?

Mr. SALTONSTALL. There are probably three instances in which the amounts have been reduced.

Mr. TOBEY. In 3 out of 40 cases?

Mr. SALTONSTALL. In the short experience I have had as a member of the Appropriations Committee, I would say that the responsibility of the Senate is to see whether the reductions made by the House should be maintained, or whether in the interest of good service in the Navy, Army, or any other branch of the Government, they should be in part restored. Let me call to the Senator's attention the fact that in this instance the Navy requested the restoration of \$191,000,000 out of a reduction of \$250,000,000. The bill, as reported to the Senate, restores \$125,000,000, or approximately half of what the Navy authorities requested. I would say that the fact that we have restored approximately half is coincidental. The amount turned out to be approximately half.

Mr. TOBEY. Did it ever occur to the Senator from Massachusetts that possibly there is a potential that the parties interested in the legislation let the House put what it will into the bills, knowing that the Senate will increase the amounts? Is there less resistance in the House or in the Senate?

Mr. SALTONSTALL. If the Senator from New Hampshire had been present in the meetings of the committee he would agree with me that all the details were worked out. In fact, all day Sunday we considered the requests and made the figures as fair as possible.

Mr. TOBEY. The Senator from Massachusetts knows that there is no personal criticism of my friend. I simply failed to find any reductions. I sometimes wonder if in the life of the Senate of the United States, we shall have an appropriation bill in which the predominant changes are reductions rather than increases.

Mr. SALTONSTALL. I hope that will be the case, provided it does not ruin the Government service. I will say to the Senator that over the past 2 years, since I have been following Navy appropriations, certain methods of bookkeeping and accounting have been greatly improved. On the other hand, I warn the Senator that because of the increase in the Air Force requirements, on account of increased ship requirements, and on account, particularly, of the reduction in the "fat" left over from the war, the Navy budget, unless there is a material reduction in Navy service, will be larger next year and in the next 4 years than it is this year.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SALTONSTALL. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SALTONSTALL, Mr. BRIDGES, Mr. BROOKS, Mr. ROBERTSON of Wyoming, Mr. TYDINGS, Mr. GREEN, and Mr. THOMAS of Oklahoma conferees on the part of the Senate.

LONG-RANGE AGRICULTURAL PROGRAM

The Senate resumed the consideration of the bill (S. 2318) to provide for a coordinated agricultural program.

Mr. AIKEN obtained the floor.

Mr. WHERRY. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. WHERRY. Several Senators have inquired about how long the Senate will remain in session tonight. It is the present intention to take up the Economic Cooperation Administration bill at the conclusion of the remarks of the distinguished Senator from Vermont.

Mr. MAYBANK. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield to the Senator from South Carolina.

Mr. MAYBANK. I was just wondering at what hour the Senator from Nebraska thought we would take up the Economic Cooperation Administration appropriation bill.

Mr. WHERRY. The distinguished Senator from Vermont has told me he would speak about 35 minutes.

Mr. AIKEN. Ordinarily it would take me about 35 minutes to present the preliminary statement on Senate bill 2318. I would not refuse to answer questions, but I should prefer to have them postponed until tomorrow, if my colleagues will agree.

Mr. MAYBANK. Mr. President, I wished to ask the distinguished Senator from Vermont a question or two at the completion of his address this evening. I understood him to say the farm bill would not be taken up until tomorrow. Am I correct?

Mr. WHERRY. It is the unfinished business. I think it would be fair to comply with the suggestion of the distinguished Senator, as his bill has been displaced three or four times, and he has very kindly deferred his explanation and presentation of the bill, and his address will be made tonight. After the Senator from Vermont concludes his remarks, it will be the intention to ask that the long-range agricultural bill be temporarily laid aside and that the ECA bill be taken up.

Mr. MAYBANK. Mr. President, I hope no one will misunderstand my motive. I am in thorough agreement with the distinguished Senator from Vermont. I merely asked whether after his speech had been concluded the Senate would take up the ECA bill, and postpone further consideration of the farm bill until tomorrow. Am I correct?

Mr. AIKEN. That is correct.

Mr. MAYBANK. I agree with the Senator from Vermont, and I appreciate the difficulty he has had. I am in thorough accord with him.

Mr. RUSSELL. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield to the Senator from Georgia.

Mr. RUSSELL. Did I understand correctly the Senator to say that he desired not to be interrupted tonight?

Mr. AIKEN. I should prefer not to have questions asked tonight. I should rather have them put off until tomorrow, so that at the conclusion of the analysis of the bill the Senate may take up the ECA appropriation bill and dispose of that, and then tomorrow morning start in with the long-range farm bill and keep at it until it is concluded.

Mr. RUSSELL. I shall be glad to postpone my questions.

Mr. AIKEN. I have no intention of being discourteous. If any Senator were urged too greatly to ask a question, I should probably not refuse to yield.

Mr. RUSSELL. I have a good many questions in mind about the bill, but I shall endeavor to suppress the questions until tomorrow. At that time, however, I shall propound a number of inquiries with regard to the bill.

Mr. AIKEN. The Senator from Vermont hopes that when the Senator from Georgia asks his questions tomorrow, he may receive satisfactory answers.

Mr. RUSSELL. I trust I may.

Mr. AIKEN. Mr. President, last July the Senate made an appropriation of \$15,000 to the Committee on Agriculture and Forestry to enable it to make a study of the trends and needs of agriculture in the United States, and to make recommendations to meet the situation as they found it.

A subcommittee of the Committee on Agriculture and Forestry was appointed consisting of seven members, and beginning October 1 we started holding hearings in different parts of the country, as well as in Washington. We heard the representatives of all the major farm organizations, we listened to the representatives of the Department of Agriculture and the State Department, we heard about 325 to 350 farmers from all parts of the United States, from Denver, East, and South. As a result, we made a report of our findings about February 1, which has been placed in the hands of the Members of the Senate, and then as rapidly as possible we formulated Senate bill 2319 to implement the report. We felt that it was useless to say what we found as to the conditions in agriculture in the United States if we did nothing about it.

I wish to say, as I have said before, that all during the work of the subcommittee and the full committee we acted as a unit. No partisanship entered into our deliberations. At no time did we have to have a formal vote or division of opinion in the committee in order to determine what was to go into the report or into the bill. We discussed every problem informally, and agreed without the necessity of having a formal vote.

Senate bill 2318 is the bill of this body itself. It is a bill which was prepared in accordance with the instructions given the Committee on Agriculture and Forestry last July. It was reported out of the committee unanimously, and, as I have said, we have acted unanimously

all the way through, from the very beginning, almost 9 months ago.

I shall now undertake a section by section analysis of the bill. I know that many questions will arise in the minds of Senators, and tomorrow I shall be very glad to try to answer all the questions, and I think there will be an answer to most of them at least.

Mr. President, sections 1 and 2 provide for a short title and declaration of policy.

TITLE I—REORGANIZATION—

Title I deals with reorganization and reassignment of functions performed by the United States Department of Agriculture—hereinafter called the Department. Soil conservation and other functions requiring direct dealing with farmers are decentralized so as to bring their exercise closer to farmers provide for greater farmer participation and to coordinate services at the local level.

ADMINISTRATION OF CONSERVATION AND OTHER PROGRAMS REQUIRING FARMER PARTICIPATION

Section 101 creates a new agency, the Bureau of Agricultural Conservation and Improvement, and centralizes in it, at the departmental level, administration of:

First, functions now administered by the Soil Conservation Service;

Second, functions now administered by the Agricultural Conservation Programs Branch of the Production and Marketing Administration;

Third, other functions related to soil conservation; and

Fourth, other functions requiring direct dealings with farmers.

This is in accordance with the testimony of the Secretary of Agriculture before a joint committee on a long-range agricultural program.

At State, county, and local levels, the major educational, informational, and demonstrational features of these functions will be exercised by the State extension services and research will be performed by the State experiment stations, which is a reaffirmation of present practice provided for in several legislative acts. Other features will be performed by the State agricultural councils, the county and community agricultural program committees and the county agricultural program executive committees, hereinafter discussed. However, the furnishing of technical assistance and machinery and equipment to soil conservation districts will be performed by the Bureau of Agricultural Conservation and Improvement.

It is not the committee's intention that the Bureau of Agricultural Conservation and Improvement should carry out educational, informational, or demonstrational programs of its own, except insofar as such activities are incidental to the carrying out of its expressly assigned programs. Likewise it is not the intention that the Extension Service will carry out soil and agricultural action programs except insofar as such activities are an integral part of educational, informational, and demonstrational activities.

Regional offices of the Soil Conservation Service are to be abolished, unless the State agricultural councils elect to

retain them or establish similar offices between two or more States.

Sections 102 and 104 provide additional (unmatched) funds for the State extension services and experiment stations to carry out any additional functions given them by section 101.

Section 103 sets up an establishment within the Office of Experiment Stations to cooperate with the State experiment stations in carrying out the functions assigned to them by section 101.

At present most of the Soil Conservation Service research work is carried on cooperatively with the State agricultural experiment stations.

COMMUNITY AND COUNTY AGRICULTURAL PROGRAM COMMITTEES, COUNTY AGRICULTURAL PROGRAM EXECUTIVE COMMITTEES, AND STATE AGRICULTURAL COUNCILS

At present, pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act (16 U. S. C. A. 590h (b)), the Secretary of Agriculture (hereinafter called the Secretary) utilizes local, county, and State committees chosen as provided in that section in administering the agricultural conservation payment programs. Pursuant to section 388 of the Agricultural Adjustment Act of 1938 (7 U. S. C. A. 1388) these same committees are utilized in administering the provisions of the Agricultural Adjustment Act of 1938. These committees are chosen as follows: First, the farmers in local areas (designated by the Secretary) elect (A) "local committees" and (B) delegates to a county convention; second, the county convention elects a "county committee"; and third, the Secretary appoints a "State committee." Under S. 2318 these committees would be replaced by new organizations to be known as "community agricultural program committees", "county agricultural program committees", "county agricultural program executive committees", and "State agricultural councils."

I may say that this organizational procedure has the approval of the Department of Agriculture, and for the most part simply writes into law many of the practices which they are already employing.

Under the provisions of section 105 of S. 2318, the local committee would become a "community agricultural program committee."

I want to say here something about the definition of "farm operators." In this section 105 the committee used the term "farm operators" in a broad sense to include sharecroppers and tenants. The term "farm operators" has a narrow connotation in some areas, but the committee had no intention to exclude anyone in the use of this term who receives a substantial part of his income from the land. I am making that explanation now so that if the question of the definition of a farm operator should come up later, it will be plain.

Section 106 provides for a county agricultural program committee consisting of the members of the community agricultural program committees in the county, the agricultural extension agent, and representatives of such soil-conservation districts or other agencies as the State agricultural council may specify. Since S. 2318 was reported your com-

mittee has prepared an amendment to this section providing that the county agent shall be ex officio and shall have no vote.

Under the provisions of section 107, each county agricultural program committee elects from among its members a county agricultural program executive committee of not less than three nor more than five members.

Section 108 provides for a State agricultural council, consisting of at least six elected members and three ex officio members, in lieu of the present State committee appointed by the Secretary. Provision is made for election of additional members in the larger States.

I want to say here that since the bill was reported out, the committee has decided on an amendment which will be printed and will be available tomorrow, which provides that the Secretary of Agriculture will appoint the members of the State council who are to be nominated by the farmers of the State through their county chairmen. There will have to be three persons nominated for each position to be filled by the Secretary. We felt that by using this method we would retain that continuity of the program from the Secretary right straight down through to the farmer, but at the same time, while the Secretary appoints a State council, every member whom he appoints has to be approved and nominated by the farmers of the State before he can be appointed.

The committees and council provided for in sections 105, 106, 107, and 108 assist the Secretary in the administration of soil conservation and other programs requiring direct dealings with farmers.

Section 109 makes provision for administrative expenses of the various committees and the State agricultural council and prescribes limitations upon expenditures.

Section 110 limits any one person to membership in one council or executive committee.

TITLE II—AMENDMENTS TO SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT STATE PLANS

Section 201 provides that no State soil-conservation plan submitted under section 7 (c) of the Soil Conservation and Domestic Allotment Act (16 U. S. C. A. 590g (c)) shall be approved by the Secretary except "after consultation with" the appropriate State agricultural council, and unless it contains certain provisions for participation and cooperation by the State agricultural council and the community and county agricultural program committees and executive committees.

The committee has decided upon another amendment at this point, and the Department of Agriculture has suggested that instead of requiring the Secretary to approve the State program after consultation with the State council, that we require him to approve the program upon the recommendation of the State council, which, in our opinion, concentrates a little more authority with the State, although as the bill is written it would be almost impossible for the State, the local, and the national levels to work any way except in full cooperation with one another.

EXTENSION OF CONSERVATION-PAYMENT PROGRAMS

Section 202 extends to December 31, 1950, the period within which conservation payments or grants may be made directly by the Secretary instead of through grants-in-aid to States.

As the bill was set up originally in 1938, it was contemplated that it would operate as a grant-in-aid program. However, only 23 States so far have shown interest enough in having it operate as a grant-in-aid program to enact the necessary legislation. Therefore, we are extending for 2 years more the time in which they can put themselves in shape to operate on a grant-in-aid basis if they see fit. If they do not see fit in 1950, after having 12 years in which to decide, I think we might conclude that they prefer to have it operate as a national program and not bother with the grant-in-aid proposition any longer. However, we did feel that we should give them 2 years more to see if they wanted to operate on that basis.

UTILIZATION OF COMMUNITY AND COUNTY AGRICULTURAL PROGRAM COMMITTEES AND EXECUTIVE COMMITTEES AND STATE AGRICULTURAL COUNCILS

Section 203 amends existing law to provide for utilization in agricultural conservation-payment programs of community and county agricultural program committees and executive committees and State agricultural councils, in lieu of the committees now utilized.

The committees utilized now are set up in accordance with plans promulgated by the Secretary, and for the most part it will be seen that we are simply writing the present method into law. That is the effect anyway, except for the State council, which is now appointed as he sees fit by the Secretary, but which in the future will be appointed by members designated or nominated by the farmers of each State.

LIMITATIONS ON CONSERVATION PAYMENTS AND GRANTS

Section 204 provides that payments or grants of aid for soil building or conserving practices, whether made under a State plan or by the Secretary, may be made only for practices, first, approved by the Secretary after consultation with the appropriate State agricultural council; and that would be changed to be approved by the Secretary on recommendation of the appropriate State agricultural council; and second, having (except in the case of demonstration or experimental farms) long term value. Such payments would be divided among landlords, tenants, and sharecroppers on the basis or the relative value of their contributions to, and benefits from, such practices. This section also provides for a limitation of \$1,000 upon the total payments which may be made in any year to any person (except with respect to demonstration or experimental farms); but payment for practices having long term effect may be distributed over a period of 5 years.

In other words, while the payments are limited to \$1,000 in 1 year, yet the farmer might do a \$5,000 soil-conservation job and be paid at the rate of \$1,000 a year for 5 years. This amount of \$1,000 is a controversial figure. Last year the

Appropriations Committee restricted the amount which could be paid to any one farmer to \$500. This year it is \$750. The recommendation of the Department of Agriculture was that it be made \$2,500 for any 1 year.

There are good arguments to be made for all these figures. There are some truck farms in the East, large ranches in the West, and large cotton farms in the delta district of Arkansas and Mississippi where the acreage is so large that the payments would amount to several thousand dollars each year, either for the application of lime or for ditching, terracing, or for whatever sort of program the State council authorized payments. I think only 1 percent of the farms of the United States, however, would draw more than \$750 a year under the present law. We are not changing the basic soil-conservation law at all in this bill, and we are not changing the basic phases of the Soil Conservation and Domestic Allotment Act.

Section 205 amends section 11 of the Soil Conservation and Domestic Allotment Act to substitute references to the community and county agricultural program committees and executive committees, and State agricultural councils for references to the present local, county, and State committees.

I did not speak too soon, because that is not a basic change at all.

TITLE III—AMENDMENTS TO AGRICULTURAL ADJUSTMENT ACT OF 1938

This is the title dealing with price supports. It differs materially from either the 1938 Agricultural Act or the Steagall amendment in that this plan bases price supports on the supply of production as well as upon market prices, thus giving flexible price supports.

Section 301 amends section 301 of the Agricultural Adjustment Act, of 1938 in the following respects:

First. The method of computing parity prices would be changed to the extent necessary to give appropriate recognition to changes in relationships between the agricultural commodities themselves occurring since the base period, 1910-14, such as those resulting from the discovery of new uses or new methods of production.

As an example of change in use, during the period from 1910 to 1914 practically no soy beans were produced. Now it is a major crop, involving in excess of 12,000,000 acres. As an example of shift in method of production, or mechanization in production of crops, the best example is probably wheat.

While it is essential that the proper balance be maintained between farm and nonfarm prices, in view of changes in uses and methods of production, any parity price formula will necessarily become an unworkable standard in the course of time, if it does not permit adjustment in the prices of the agricultural commodities as among themselves. In fact, this has already occurred to such an extent that the 1910-14 price of the commodity is used in computing the parity prices of only 47 of the 157 items for which parity or comparable prices are now calculated. S. 2318 would provide a formula which, while preserving the 1910-14 relationship between farm

and nonfarm prices, will reflect the developments of recent years. Thus, while parity prices on the average would be based on the differences between the 1910-14 and the present prices of things that farmers buy, the new parity price formula in S. 2318 accepts the prices of individual farm commodities for the 10 immediately preceding years as reflecting the current relative supply of and demand for different farm products better than the price relationships between different farm commodities in 1910-14. However, the period 1910-14 is retained as the base period in showing the over-all relationship between the prices of things farmers buy and the prices of farm products. The period of 1910-14 has advantages as a base period for farm products as a group because no large segment of our economy was badly out of adjustment with other segments of our economy at that time due to the absence of war, depression, or seriously disturbed international trade conditions. On the other hand, changes in population, consumption of products, trade, total production, and other factors have had a marked effect in changing the relative demand for different farm products now as compared to the period 1910-14.

PARITY PRICES OF BASIC COMMODITIES

Corn (per bushel): New, \$0.953 (10-year average price) divided by \$1.68 equals \$0.567 times \$2.50 equals \$1.42; old, \$0.642 (present base price) times \$2.50 equals \$1.60.

Wheat (per bushel): New, \$1.22 (10-year average price) divided by \$1.68 equals \$0.726 times \$2.50 equals \$1.82; old, \$0.884 (present base price) times \$2.50 equals \$2.21.

Cotton (per pound): New, \$0.1808 (10-year average price) divided by \$1.68 equals \$0.1076 times \$2.50 equals \$0.269; old, \$0.124 (present base price) times \$2.50 equals \$0.3100.

Peanuts (per pound): New, \$0.062 (10-year average price) divided by \$1.68 equals \$0.37 times \$2.50 equals \$0.091; old, \$0.048 (present base price) times \$2.50 equals \$0.120.

Rice (per bushel): New, \$1.44 (10-year average price) divided by \$1.68 equals \$0.857 times \$2.50 equals \$2.12; old, \$0.813 (present base price) times \$2.50 equals \$2.03.

Tobacco (per pound): Flue-cured, new, \$0.336 (10-year average price)¹ divided by \$1.68 equals \$0.200 times \$2.50 equals \$0.500; old, \$0.229 (present base price)² times \$2.12³ equals \$0.485; Burley, new \$0.340 (10-year average price)¹ divided by \$1.68 equals \$0.202 times \$2.50 equals \$0.505; old, \$0.222 (present price)² times \$2.12³ equals \$0.471.

PARITY PRICES OF SELECTED NONBASIC COMMODITIES

Cottonseed (per ton): New, \$44.60 (10-year average price) divided by \$1.68 equals \$26.50 times \$2.50 equals \$66.20; old, \$22.28 (present base price) times \$2.50 equals \$56.40.

Hogs (per hundredweight): New, \$12.50 (10-year average price) divided by \$1.68 equals \$7.44 times \$2.50 equals \$18.60; old, \$7.28 (present base price) times \$2.50 equals \$18.20.

Beef cattle (per hundredweight): New, \$10.90 (10-year average price) divided by \$1.68 equals \$6.49 times \$2.50 equals \$16.20;

old, \$5.41 (present base price) times \$2.50 equals \$13.60.

Milk (per hundredweight): New, \$2.81 (10-year average price) divided by \$1.68 equals \$1.67 times \$2.50 equals \$4.18⁴; old, \$1.60 (present base price) times \$2.50 equals \$4.00.⁴

In making these calculations, the following data were used to tie the new parity formula to the 1910-14 base period: The 10-year average of prices received by farmers for their products—1938-47—was 168 percent of the 1910-14 base period, and the May 15, 1948, index of prices farmers paid for products purchased, including interest and taxes, was 250 percent of the 1910-14 base period. The new parity price calculation uses the preceding 10-year average price—1938-47—of the individual commodity to determine the current relationship of the commodity to all farm products sold. The old parity price calculation uses the 1910-14 individual commodity price—unless some other base period has been accepted, as in the case of tobacco—to show the price relationships between farm products.

COMPUTATION OF PARITY PRICES

Using corn as an example, the calculation of parity under the new parity formula is as follows: The 10-year average price of corn—1938-47—was \$0.953. Average prices of all farm products during the last 10 years is 168 percent of the average prices of all farm products during the 1910-14 base period. Thus, \$0.953 is divided by 1.68 to show the parity price of corn in 1910-14, which would amount to \$0.567. Since the prices of things farmers buy are now 250 percent, or 2.50 times as high as in 1910-14, the current parity price of corn would be 2.50 times \$0.567, or \$1.42.

In calculating the parity price for corn under the old formula, the actual price of corn from 1910-14 is used, which was \$0.642. Since the prices of things the farmer buys are 2.50 times as high as in 1910-14, the 1910-14 price of corn, \$0.642, is multiplied by 2.50, which gives \$1.60 as the old parity price of corn, as figured under the present method. It would be \$1.42 under the new method, 18 cents a bushel less than under the old method. I shall explain why that is not a disadvantage as I go on.

It should be noted that while the parity prices of some products are higher and others lower under the new formula, the average parity price of all commodities will be the same under the old and new formulas. In the change from the old to the new parity formula the parity price of livestock, livestock products, and oil seeds are higher, while parity prices for grain crops are lower. It is because the relationships between prices of individual farm commodities have changed materially since 1910-14 that there is need of revising the parity formula to use current price relationships between individual farm commodities.

A provision in Senate bill 2318, however, provides that where there is a difference between the two parity prices for a product exceeding 5 percent of the old parity price, the adjustment to the

new parity will not take place at the rate of more than 5 percent in 1 year. The main reason for that it so there can be no abrupt drop in the parity price of any commodity. The main reason for the lower parity prices for the basic commodities under the new parity formula, except for rice and tobacco, for which the parity prices will be higher, is the low prices for the other products in the years 1938, 1939 and 1940. For instance, cotton had three 9-cent years—in 1938, 1939 and 1940—as compared to a probable average of 30 cents a pound during the last 3 years. Insofar as the prices in 1948, 1949 and 1950 may be higher than in 1938, 1939 and 1940 for these products, their parity prices under the two formulas will come closer together in the next 3 years, and the new parity for a product may exceed the old if the 10-year average price of the product becomes relatively higher than those of other commodities. The formula provides for the annual adjustment of dropping the first and adding a new year's price to the 10-year average price of farm products.

It is desirable that the new parity prices for livestock and oil seeds be somewhat higher relative to grain prices because 85 percent of the corn crop and a large part of other grains are normally fed to livestock. This change in the relationship of parity prices for livestock and grains will encourage the feeding of grain which is the most desirable means of utilizing grain when supplies become burdensome.

Mr. PEPPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. THYE in the chair). Does the Senator from Vermont yield to the Senator from Florida?

Mr. AIKEN. I yield.

Mr. PEPPER. Can it be said that the formula which takes a 10-year period as the criterion might permit or require, as the decade moves up toward a higher 10-year period of prices, that farm prices start upward at a time when the prices of the things the farmers buy would be tending downward, so that one would be moving in the opposite direction from the other, whereas generally they would be expected to move in the same direction?

Mr. AIKEN. Mr. President, will the Senator repeat his question, please?

Mr. PEPPER. If the 10-year bracket is the period that influences the parity figure, as you move from a lower-price structure, let us say, up into a decade all of which has high-price structures, you would tend to raise the parity price, under the formula, would you not? The parity price would tend to rise. I was wondering whether there could be a case in which there would be a tendency for farm prices to rise at the time when the prices of the things the farmers buy would have tendency to be falling.

Mr. AIKEN. I do not think so. I think there would tend to be a relationship between the prices of the things farmers buy and the prices they receive for the things they sell.

Although it is possible, because of 10 years of high prices, that farm prices

¹Ten marketing years beginning during calendar years 1938-47.

²Based on marketing seasons 1934-38.

³May 15 index of prices paid August 1934-July 1939 equals 100.

⁴Not adjusted for seasonal trends.

might not drop so abruptly as they otherwise would when other commodities start going down in price—and if farm prices had not broken in 1930, we probably would not have had the severe economic collapse that we had—yet if the Senator will go over some of the material which is available from the Bureau of Agricultural Economics, he will find that had this formula been in effect during the last 25 years, it would have had a tendency to have given greater support to farm prices during those worst depression years, but a little lower support to the grains, particularly, during the years when no support at all was needed.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. TYDINGS. I wonder whether the Senator from Vermont has an estimate as to the difference in cost of the new program, as now proposed, as compared with the cost of the old program, annually.

Mr. AIKEN. I think there probably could be no accurate estimate of the cost; but it is my belief that the cost of the new program will be lower because it lowers the incentive price of the commodities of which we have too large a supply. We provide here for a lower price and support level for potatoes and eggs and some of the other commodities on which we have been spending a good many millions of dollars. On the whole, I believe it will be a fairly inexpensive program to administer.

Of course, no one can tell for sure. We have had the best agricultural economists in the country, not only in the Department of Agriculture, but those of the farm organizations, and other economists, such as Dr. Black, of Harvard, working with us; and the bill is a result of their combined knowledge, although I must state that they did not always agree, any more than economists in any other line always agree.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield.

Mr. TYDINGS. The implication of the Senator's answer, then, is that although this program has been modernized and, to use his explanation, has been improved in the light of experience, nevertheless, barring unforeseen happenings, the program will not cost as much to administer as the program as we have had has cost. Is that correct, or, rather, is that the Senator's belief?

Mr. AIKEN. Personally, I am satisfied as to that, for the simple reason that we encourage the production of the items we are short of, and discourage the overproduction of the commodities of which we already have too large a supply.

Mr. WHERRY. Mr. President, I think the Senator from Vermont said he would yield for questions tomorrow. Is that correct?

Mr. AIKEN. Yes.

Mr. WHERRY. I hope the Senator will follow that arrangement.

Mr. RUSSELL. Mr. President, if the Senator is to yield, I have a number of questions to ask, which would lengthen this discussion considerably. I had understood that it would go over until tomorrow. I know that other Senators also have questions.

Mr. AIKEN. I should prefer to have it go over until tomorrow, if that is agreeable to the Senator. I shall take about 10 or 12 minutes more to make my general presentation and analysis of the bill.

Mr. President, I continue with the analysis:

Second. "Parity" as applied to income is redefined for the purpose of establishing a more useful and accurate standard. This change has no substantive effect.

Third. The term "carry-over" as applied to corn, rice, peanuts, and cotton is redefined to include imports. This term was not previously applied to peanuts.

Fourth. The term "normal supply" as applied to corn, cotton, rice, wheat, and peanuts is redefined to represent current requirements more accurately than has heretofore been the case. In defining "normal supply," the estimated exports for the marketing year for which normal supply is being determined and estimated domestic consumption for the preceding marketing year would be used. The allowance for carry-over provided for in the existing definition of "normal supply" remains the same as in the present law, except in the case of cotton, which would be 23 percent in the bill as reported, in lieu of 40 percent in existing law. Since the bill was reported, however, your committee has prepared an amendment which would make this allowance 30 percent, instead of 23 percent. The definition in existing law of "normal supply" is not applicable to peanuts, but the new definition would be made so under the bill. The allowance for carry-over in the case of peanuts would be 15 percent. Provision is made in the bill for necessary adjustments for current trends in consumption and for unusual conditions. The term "normal supply" as applied to tobacco would not be changed.

Fifth. The term "total supply" has been redefined to cover peanuts; and in the case of cotton, wheat, corn, rice, and peanuts, to include imports. The term as applied to tobacco has not been changed.

PRICE SUPPORT

Section 302 contains the price-support provisions of the bill.

Price supports have proven to be an effective and sound device for improving farm prices, influencing production, and, in the case of storable commodities, accumulating reserve stores which have been of great value in times of war and crop disasters. They are an essential part of any well-rounded farm program. The committee devoted a great deal of time and study to this question, in the light of past experience, and arrived at several general principles which we believe should characterize future price-support programs.

First. Price supports should take into account both market prices and the supply of farm products.

Second. Mandatory price-support operations should be limited or conditioned to the storability of the products.

Third. The minimum price-support level (in periods of heavy supply) should be below the desirable long-time price level, in order to encourage producers

to shift part of their productive resources to those products in short supply or greatest demand.

Fourth. There is need of giving considerable discretionary power in adjusting the price-support plan to meet changing or unforeseen conditions.

However, there should be discretionary power to establish support levels on any commodity above the mandatory level in order, in time of emergency, to encourage or maintain needed production. An example of that this year is the case of flax, where the Department of Agriculture is supporting the price at 150 percent of parity, because of the acute shortage and the national need.

With these principles in mind, section 302 of S. 2318 would amend section 302 of the Agricultural Adjustment Act of 1938—which contains the principal permanent price-support provisions—to provide as follows:

First. Price support of any agricultural commodity through loans, purchases, payments, or other operations would be authorized. This authorization provides the necessary flexibility in the choice of methods to be used in supporting prices. Thus it authorizes not only loans and purchases but also direct payments to farmers. The use of indirect methods such as the development of improved merchandising methods is encouraged. In determining the methods to be used, as well as the other terms and conditions of price-support operations, the Secretary and the Commodity Credit Corporation are required to give consideration to, first, the supply of the commodity in relation to the demand therefor; second, the price levels at which other commodities are being supported; third, the availability of funds; fourth, the perishability of the commodity; fifth, its importance to agriculture and national economy; sixth, the ability to dispose of stocks acquired through a price-support operation; and, seventh, the ability and willingness of producers to keep supplies in line with demand. Compliance with acreage allotments, production goals, and marketing practices may be required as a condition of price support on either basic or nonbasic commodities.

Mr. MAYBANK. Mr. President, if I may inquire, does the Senator desire to yield before completing his speech?

The PRESIDING OFFICER. The Senator from Vermont has said he would like to finish his speech without interruption.

Mr. AIKEN. I should like to finish. I am nearly through. I shall be glad tomorrow to try to answer all the questions that I may be asked pertaining to the bill.

In the case of the basic commodities, cotton, wheat, corn, tobacco, rice, and peanuts, the authority to impose marketing practice requirements as a condition of eligibility for price support would not authorize the imposition of marketing quotas if they have been voted down by farmers, and the acreage allotments used for purposes of eligibility would be the same as those determined pursuant to the marketing-quota provisions of the Agricultural Adjustment Act of 1938.

Before deciding upon the farm-support schedule, the committee examined the farm price and production data over the past 25 years and found that even with an 85-percent price-support program, let alone a 90-percent support as under the Steagall amendment, that some of our major farm products would have had Federal support about three-fourths of the time over the 25-year period. That is a heavy burden to place on the Treasury and it encourages farmers to produce the things that they are accustomed to producing without considering what the Nation needs. Probably there is no better guide to production needs than a flexible price system that reflects supply and demand conditions, just so price does not fluctuate so widely or so quickly as to bring economic ruin to producers.

A flexible price support schedule varying inversely to supply in like manner will encourage farmers to adjust production to demand.

High support prices—near the normal market price—also have the tendency to freeze production or acreages in undesirable patterns rather than to encourage adjustment in production to meet demands.

In the case of the basic commodities price support at from 60 to 90 percent of parity, the minimum level depending upon the relationship of the total supply of each commodity to its normal supply—would be required to be made available to cooperators (those who do not exceed farm acreage allotments); except that if marketing quotas have been disapproved by producers the level of price support would be reduced to 50 percent of parity. Your committee felt that this minimum price support of 50 percent should be given even though marketing quotas should be disapproved since the complete lack of price support for a basic agricultural commodity would so seriously lower the income of a particular producer group as to impair the general welfare. If, however, marketing quotas are approved by producers, the level of price support which would otherwise be given to the commodity would be increased under the bill as reported by a minimum of 10 percent of parity, but not beyond 90 percent of parity.

Since reporting the bill the committee has recommended that instead of a premium of 10 percent of parity plus an additional percent to be given by the Secretary if he felt it desirable, the premium for quotas be 20 percent of the support price computed without regard to the premium. It would be 20 percent of the support price. Under the bill price support is not required to be made available to noncooperators, but at the Secretary's discretion such support may be provided at levels not in excess of those provided for cooperators.

Third. Price support for nonbasic commodities is discretionary with the Secretary up to a maximum level of 90 percent of parity. It is difficult to provide any procedure for controlling the marketing of certain products in order to make price support effective. Potatoes constitute one of the most difficult problems although the Secretary may prescribe conditions pertaining to com-

pliance and a large percentage of the producers follow the plan, difficulty arises with the noncooperator who proceeds to dump all of his production on the market. The problem is further complicated because the early, medium, and late potato market overlaps. Even though the cooperators follow prescribed conditions and may hold their cull potatoes off of the market and receive a minimum price for them, noncooperators may benefit from marketing their entire production. This will tend to help break the market for the cooperators. This difficulty arises because potatoes, unlike tobacco, do not pass through central markets where controls can be exercised. One of the most promising approaches to this problem is that of potato-marketing agreements. Last year such an agreement was developed for Michigan, Wisconsin, Minnesota, and North Dakota for the marketing of late potatoes. One is being considered by the Maine potato growers for the current year. Also Virginia and North Carolina have developed a potato-marketing agreement for the current year. Potato-marketing agreements entered into by the growers promises to be an effective way of holding low-grade potatoes off of the market. The growers who enter into such an agreement will help to make it effective in their localities. If a price-support program for potatoes is developed, the language of the bill would make it possible for the Secretary to give preference to the producers who are operating under marketing agreements.

The price of wool, however, is required to be supported at such level between 60 and 90 percent of parity as the Secretary considers necessary in order to encourage an annual production of approximately 360,000,000 pounds. The present production of wool is approximately 300,000,000 pounds, which is not considered adequate and which places this country in too great a state of dependence upon foreign countries for wool. There has been a consistently decreasing number of stock sheep and lambs on farms and ranges in this country until now we have only thirty and a half million—the lowest since 1867.

Fourth. In case the national interest requires, price-support operations at levels in excess of 90 percent of parity are permitted with respect to either basic or nonbasic commodities.

I have already mentioned flax as this year's example of that.

Fifth. The Commodity Credit Corporation is prohibited from using its funds to carry out any operation to support the price of any nonbasic agricultural commodity which is so perishable in nature as not to be reasonably storable without excessive loss or excessive cost, but this prohibition does not prevent the Commodity credit Corporation from using its funds to support the price of such perishable commodities by operations with respect to storable commodities processed therefrom. For example the Commodity Credit Corporation could support the price of milk through the purchase of powdered dry milk, or the price of citrus fruit through the purchase of canned concentrated juice. The bill expressly

permits direct price support for perishable nonbasic commodities through other means available to the Secretary. Thus section 32 funds would be available for such price support. Since the bill was reported, the committee has recommended an amendment which would make it clear that the Commodity Credit Corporation's facilities could be utilized in carrying out section 32 and school lunch programs, involving the procurement of perishable commodities. The cost of such programs would, of course, be defrayed from section 32 or school-lunch program funds. The basis for differentiation between storable and non-storable commodities is that on storable commodities the Corporation has a reasonable prospect of avoiding losses by disposing of its inventories during times of shortages or increased demand. The price support operations of Commodity Credit Corporation with respect to the basic commodities have in the aggregate been carried out without loss to the Corporation. Perishable commodities must be disposed of promptly and the losses involved are often great. Moreover, the yields of the more perishable commodities are so variable and so subject to the control of the producer, as by the application of fertilizer, insecticide, and water in the case of irrigated crops, that the acreage planted may have little relationship to production. Section 32 is the recognized medium for the disposal of surpluses of perishable commodities and provides for such disposal largely through donation to charitable institutions and through the school lunch program. It should also be noted that in the case of all the basic commodities, there is in effect a statutory system for adjusting production to demand through the establishment of marketing quotas and penalties.

Sixth. Limitations are imposed upon the price at which Commodity Credit Corporation can sell farm commodities subject to a number of exceptions. These limitations and exceptions are generally comparable to those now in effect and are intended to prevent sales of farm commodities by Commodity Credit Corporation in a manner which would impair price support operations with respect to such commodities.

MARKETING QUOTAS

Sections 303, 304, 305, and 306 change the conditions which must be determined by the Secretary to exist before marketing quotas can be imposed upon corn, wheat, cotton, and rice. As reported, the sections would provide that whenever the Secretary determines—

First, that the total supply of the commodity for the marketing year beginning in the then current calendar year will exceed the normal supply for such marketing year by more than 15 percent, or

Second, that the total supply of the commodity for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending and that the average price for the commodity for three successive months does not exceed 70 percent of parity, the Secretary shall proclaim marketing quotas for the mar-

keting year beginning in the next succeeding calendar year.

Since reporting the bill, your committee has reported out amendments to each of these sections which would increase the amount by which total supply must exceed normal supply from 15 percent to 20 percent, and would decrease the requirement with respect to the average farm price from 70 percent of parity to 66 percent of parity, except that in the case of cotton the amount by which the total supply is required to exceed the normal supply would be reduced to 8 percent.

A careful study of available data indicates that the amendments set up comparable conditions of supply and prices as a guide in voting quotas for the different basic commodities.

ACREAGE ALLOTMENTS—IMPORTS

Section 307 requires the Secretary to take imports into consideration in determining acreage allotments for corn, wheat, and rice for the purposes of marketing quotas.

UTILIZATION OF COUNTY AGRICULTURAL ASSOCIATIONS AND EXECUTIVE COMMITTEES AND STATE AGRICULTURAL COUNCILS UNDER AGRICULTURAL ADJUSTMENT ACT OF 1938

Section 308 provides for the utilization of the community and county agricultural program committees and executive committees and State agricultural councils in carrying out the Agricultural Adjustment Act of 1938.

TITLE IV—MISCELLANEOUS SECTION 32 FUNDS

Section 401 provides for accumulation, up to \$300,000,000, of section 32 funds not currently required for program purposes. Section 32 of the act of August 24, 1935 (7 U. S. C. 612c), appropriates for each fiscal year an amount equal to 30 percent of the customs duties for the preceding calendar year, to be used by the Secretary of Agriculture to encourage exportation and to increase (by means of diversion programs) domestic consumption of agricultural commodities and products and to reestablish farmers' purchasing power. To the extent that funds annually appropriated by section 32 are not fully utilized during any fiscal year, this provision would permit the balance of the funds not utilized to be carried over to subsequent fiscal years and used for the purpose for which such funds were appropriated. This provision would make it possible to formulate long-range surplus-disposal programs.

PARITY—OTHER STATUTES

Section 403 conforms the definitions of parity contained in other statutes to the definition of parity contained in section 301 of the Agricultural Adjustment Act of 1938, as amended by S. 2318.

SECTION 22

Section 402 would amend section 22 of the Agricultural Adjustment Act as reenacted by the Agricultural Marketing Agreement Act of 1937. The bill is designed to strengthen price-support programs for American agricultural commodities and to prevent their disruption through excessive imports of foreign commodities.

The revision of section 22 would carry out recommendations heretofore made by

the President to the Congress and more recently requested of this Congress by the Secretary of Agriculture.

In requesting revision of section 22, the Secretary of Agriculture stated:

The field within which the authority granted by section 22 may be exercised is so limited that the authority cannot be of much aid to the Department of Agriculture in discharging its price-support obligations in this period of adjustment. If a program of the Department is not undertaken pursuant to one of the three statutes referred to in section 22, the authority conferred by that section may not be utilized to control the importation of an article the importation of which is materially interfering with the successful operation of the program by the Department.

The principal changes contemplated by this section of the bill are:

First. To extend the authority of section 22 so as to cover not only agricultural commodities, but also the products thereof;

Second. To extend such authority so as to cover articles the import of which affects any loan, purchase, or other programs or operations undertaken by the Department of Agriculture (including price support and stabilization operations) with respect to any agricultural commodity or product thereof;

Third. To make the provisions with respect to quantitative limitation restrictions applicable to the total quantity of an article imported during a representative period as determined by the President, rather than to each country's average annual quantity of the article imported during the period from January 1, 1929, to December 31, 1933, as now provided;

Fourth. To authorize the President, by a specific grant of authority, to describe designated articles by physical qualities, value, use, or upon such bases as he determines;

Fifth. To clarify the definition with respect to the fees authorized, which are considered duties for some purposes, as now provided, so that they shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States, as, for example, our duty preference arrangements with Cuba; and

Sixth. To prohibit enforcement of a proclamation under section 22 that would be in contravention of any treaty or international agreement to which the United States is a party.

I understand that this proposed amendment to section 22 has been cleared with the State Department, and we are assured there will be no veto of it this time.

EFFECTIVE DATE

Section 404 provides that the act shall take effect on January 1, 1949, except that section 402 would take effect upon enactment. Present price support provisions under which the basic commodities are supported at 90 percent of parity—92½ percent in the case of cotton—expire with the crops of such commodities harvested prior to January 1, 1949. The Steagall amendment, under which the so-called Steagall commodities are required to be supported at not less

than 90 percent of parity, expires on December 31, 1948.

AMENDMENTS

Since reporting out the bill, your committee has reported out a number of additional amendments, some of which have been discussed in the foregoing analysis. All of the remaining amendments are technical and perfecting in nature with one exception, as follows:

A new section 309 would be inserted. The section would amend section 312 (a) of the Agricultural Adjustment Act of 1938 to require the Secretary, first, to proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year, and, second, to proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco. This would mean that, once the Secretary proclaims a marketing quota for any kind of tobacco, he is required to proclaim a marketing quota for that kind of tobacco for each succeeding year without regard to the supply conditions presently required by the statute, unless growers vote to discard the quota system. Since marketing quotas have been proclaimed for the marketing years beginning in 1948 for flue-cured, burley, and fire-cured tobaccos, this section would require marketing quotas to be proclaimed each year hereafter for these three kinds of tobacco, and also for Virginia sun-cured tobacco.

Because of the long period for which tobacco is held to properly age, tobacco presents problems of market supply not found in other commodities.

I shall be glad to discuss that further tomorrow if it has not been made clear.

Mr. President, I appreciate the courtesy of my colleagues in bearing with me and giving me an opportunity to present this preliminary analysis of the bill tonight.

I have some amendments, practically all of them technical in nature, we might say, relating to crossing "t's" and dotting "i's," which I shall submit so that they may be printed and be available tomorrow.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. AIKEN. So long as the Senate does not get out of patience.

Mr. RUSSELL. I shall not take any time. I merely wish to send to the desk sundry amendments to the bill which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

Mr. WHERRY and Mr. MAYBANK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Vermont yield the floor?

Mr. AIKEN. I yield to the Senator from Nebraska.

Mr. WHERRY. I yield to the Senator from Florida.

Mr. PEPPER. On behalf of the senior Senator from California [Mr. DOWNEY]

and myself, I send to the desk an amendment to be offered to the bill, to be printed and to lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Mr. MAYBANK. Mr. President, I wish to ask the Senator from Vermont a question.

The PRESIDING OFFICER. The Senator from Vermont technically still has the floor. He did not yield the floor. Does the Senator yield to the Senator from South Carolina?

Mr. AIKEN. I yield.

Mr. MAYBANK. Mr. President, as I understand this long-range agricultural bill, insofar as cotton is concerned and so far as the Commodity Credit Corporation is concerned, it makes a reduction in cotton parity from 90 percent to 75 percent, with an additional 4-cent reduction and an additional variation in regard to other commodities.

Mr. AIKEN. It would mean 75 percent for normal supply. Beginning last year the supply was just a trifle over normal. It would probably be normal next year.

Mr. MAYBANK. The Senator from Vermont will admit that the Commodity Credit Corporation made over \$100,000,000 on cotton last year, as stated by C. C. Smith, the chairman of the Commodity Credit Corporation. In other words, the parity on cotton is going to be reduced from 90 percent to 75 percent?

Mr. AIKEN. No, not in 1 year. We provide that parity cannot be reduced over 5 percent in any 1 year. In the meantime, the bad years of cotton, when it brought only 9 cents, 1938, 1939, and 1940, will be dropped from the 10-year period, and the 30-cent years will be added, so that the parity price of cotton is very likely to come up, and possibly in 3 years might exceed what the parity would be under the old method of computing it. I have no figures with me tonight, but I shall be glad to produce them tomorrow.

Mr. MAYBANK. The Senator will remember the late John Bankhead, of Alabama, who took such an interest in the cotton growers, and Representative Steagall, who was a member of the Committee on Banking and Currency of the House of Representatives. The Senator from Vermont well knows that cotton was not at parity in 1939 and 1940, but also was not during the war years, 1941, 1942, and 1943, and am I now to be told, coming from a cotton State, that the plan is further to reduce the parity on cotton, after the cotton farmer has been robbed of millions of dollars, so that the Government can ship it to Japan to run MacArthur's business, and to make a record for the Army and to run the Government of Japan? The farmer seems to be forgotten. I merely wish to say to the Senator from Vermont that I think it is an outrage and a disgrace that cotton should be reduced and the loan should be reduced from 90 to 75 percent in the face of what has happened to cotton.

Mr. AIKEN. Mr. President, I refuse to yield further, but I do hope the Senator from South Carolina will not for-

get the efforts I have put in to help the cotton growers when they needed it most, and I say to him tonight that this new parity formula I know will increase the price of cottonseed 20 percent, and will, I believe, more than offset the slight reduction in cotton. But I refuse to yield further.

Mr. MAYBANK. If I may make a remark as one coming from a cotton State, the cottonseed is only used to pay the expense of ginning and baling the cotton and the picking of cotton. That has nothing to do with the price of raw cotton.

FOREIGN AID APPROPRIATIONS

Mr. WHERRY. Mr. President, I ask unanimous consent that the unfinished business be temporarily set aside and that the Senate proceed to the consideration of House bill 6801, the so-called Economic Cooperation Administration appropriations.

There being no objection, the Senate proceeded to consider the bill (H. R. 6801) making appropriations for foreign aid for the period beginning April 3, 1948, and ending June 30, 1949, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. BRIDGES. Mr. President, at this time I wish to present from the Senate Committee on Appropriations the recommendations for foreign aid appropriations for the coming year. It is my belief that the Senate will not consider during this year a bill of greater import to our economy or of more lasting significance to the security of this Nation and the world.

In its simplest terms, the appropriation which the committee recommends calls for the expenditure of American dollars to aid the recovery of Europe and to extend help into many war-ravaged areas of the world. In its broader aspects, however, this bill provides for the shipment of American production and wealth at a cost of personal sacrifice of every citizen of the Republic. The appropriation is a venture in faith on the part of this Nation. It expresses the belief that the freedom-loving people of the world, by sharing their resources and their strength, can withstand the tyrannous forces of a philosophy and government that holds in slavery the peoples of more than half of Europe. The appropriation is recommended because there is in America a widespread conviction that the free people of the world must stand or fall together and that a portion of the resources of this Nation should be put temporarily at the disposal of other free peoples until the non-Communist governments can recover their mutual strength.

The great bulk of the money will be distributed in western Germany and the 16 nations of Europe who were signatories at the Paris Conference. Members of the Senate Appropriations Committee traveled during the past year through these various countries. We have seen at first hand the conditions which we seek to correct through this appropriation. We have seen the shat-

tered cities and towns that were destroyed by a war which has disrupted also the normal patterns of industry and trade. We have seen people in Europe who have turned to the false promises and early disillusionment of communism because the difficulties of ordinary living have made them lose confidence in the institutions of free government. Members of the committee believe, as most Americans believe, that free governments can be maintained in Europe if two conditions are fulfilled. The first condition is that the European nations must make a total effort to help themselves. The second condition is that some limited outside assistance be given them to start again the flow of raw materials, the movement of goods in trade and the stabilization of inflated currencies.

Obviously the resources of the United States are not adequate to meet the full needs of the world. Such aid as we can extend to nations on whose strength we can count in future years must be extended wisely and with great caution. Those of us who have seen Europe since the war have seen also vast stores of American equipment dumped in foreign fields. We have seen the production and wealth of American workers spent to no good purpose whatsoever. I can conceive of no more tragic a conclusion than that this appropriation should follow the pattern of past appropriations made by this Government in some instances for foreign aid. If such should be the case, then we should be guilty of having exploited human hope to waste the substance of this Nation.

With adequate precautions on the part of Congress and with responsible administration by those to whom these funds will be entrusted, no such consequences need occur. In the hope that such consequences will not occur the committee presents its program.

Mr. President, the Senate Committee on Appropriations recommends that the sum of \$6,125,710,228 be provided for assistance to the people of foreign countries during the coming year. This amount is \$408,000,000 below the budget estimates for the program. It is \$245,000,000 above the amounts allowed by the House action on the foreign-aid bill.

To present a proper perspective of the action of the Senate Appropriations Committee in relation to that of the House, however, it will be necessary to state in greater detail the differences between the bill as it passed the House and the bill that is recommended to the Senate. Actually, the committee recommendation, if adopted, would increase expenditure under this program by an indefinite amount, in excess of \$1,100,000,000. The effect of the possible Senate action upon the expenditures for foreign aid can be stated in terms of the amounts recommended for the European recovery program and for China.

FOR THE EUROPEAN RECOVERY PROGRAM

The budget estimate requested \$5,300,000,000 for 17 countries for 12 months.

The House allowed \$5,055,000,000 for 21 countries for 15 months.

The committee recommends the sum of \$5,055,000,000 for 18 countries for 12 months.

FOR THE CHINA PROGRAM

The authorization provided for \$463,000,000 for 12 months, of which \$125,000,000 was for grants sought by the Chinese Government.

The House allowed \$400,000,000 for 15 months to be expended in accordance with the provisions for Greek-Turkey aid.

The Senate Appropriations Committee recommends that \$460,000,000 be provided for 12 months, of which \$125,000,000 shall be given in grants for military and other requirements of the Chinese Government.

The committee recommends that other programs which are provided for in this bill be furnished the following amounts:

Government and relief in occupied areas should have \$1,325,000,000, of which \$125,000,000 is earmarked for recovery in the Japanese area, and the remainder is designated for the prevention of disease and unrest in Germany, Austria, and the Japanese area.

The sum of \$250,000,000 should be applied to the Greek-Turkey program, which is an increase of \$50,000,000 over the House amount and a decrease of \$25,000,000 below the budget estimate.

The full budget estimate of \$70,710,228 is recommended for the use of the International Refugee Organization of \$20,000,000 is allowed for the United Nations International Children's Emergency Fund, which is \$40,000,000 below the amount allowed by the House.

Although this bill is reported in the rush of the closing days of this session, and is presented to the Senate within a week of the vote in the House, the bill has had careful study by the Senate Appropriations Committee. We began our hearings more than a month ago without any bill before us and with no knowledge of what action the House would take. Such a procedure is highly unusual and to my knowledge has only the precedent that the Appropriations Committee made when we proceeded in advance, without waiting for House action, to study the interim aid bill.

In the committee hearings testimony was offered by many witnesses of the Government, by the individuals who will administer the funds appropriated, and by private citizens who the committee felt had pertinent experience and knowledge.

There was evidenced strong support for the aims and purposes of the foreign-aid programs, and particularly for the European recovery program, but in all the great detail of testimony submitted to the committee there was little information on which the committee could base a firm, precise, stable, and undisputed appropriation figure.

Let me discuss with the Senate very briefly the type of evidence on which we have had to recommend this appropriation.

We were given detailed analyses of the type of goods which might move from the Western Hemisphere to the participating countries of western Europe. It was on this trade movement that the estimates

for the program were computed by the executive branch of the Government, yet the committee was told, also, that ECA purchases will not be limited to the Western Hemisphere and that the dollars we appropriate in this bill may be spent anywhere on earth.

The committee was given an estimate that \$22,000,000 will be required out of ECA funds to meet shipping costs and other dollar deficits during the next 12 months. The figure was derived by deducting miscellaneous dollar income from the total dollar payments for shipping of the participating nations. It was testified that, without reservation, the \$22,000,000 figure is utterly unrealistic as a statement of the payments which the Administrator of the program must make to move the goods furnished.

The justifications by which the committee had to determine the amount of the appropriation were extremely general. We were not asked to provide money to purchase any particular goods or to meet any specified needs. In effect, we were told that we were buying recovery and the price tag was established by a deficit in the balance of payment arising out of projected trade patterns. The proponents of the program did not justify the expenditure of \$5,300,000,000 on a reasonable basis. Instead, the committee has been challenged to justify a cut in a program that has shifted its figures constantly as the Congress has questioned the propriety of the various component parts.

From the testimony which the committee heard on the European recovery program, the members of the committee felt that for many reasons the executive branch of the Government had set some of its estimates too high.

In the list of 50 items studied there were many instances where it appeared that shipments for the coming year, in view of past European imports, were unrealistically large. Such commodities as tobacco, petroleum, agricultural machinery, fertilizer, fats and oils, and cotton were listed to move from the Western Hemisphere in relatively large quantities.

There was a fundamental doubt in the minds of many members that \$4,000,000,000 can be expended wisely in the short space of a year, and there is a remaining fear that expenditures may be forced, and will result in a repetition of UNRRA tactics with wholesale dumping of American wealth in foreign lands. In this respect the committee presents the four-billion-dollar figure with hopes that the Watchdog committee, so-called, established in the authorization act can be successful as a deterrent to unwise expenditure.

Over the months in which the justifications for the foreign-aid program have been before this Congress the executive branch has shifted its studies constantly, obtaining ever-new subtotals out of the same set of facts, yet remaining always within the same \$5,300,000,000 grand total of the program. Despite the vast improvement in crop prospects in Europe, imports of food and tobacco were estimated to total \$308,000,000 more in March than they were estimated in December. The proposed imports of

seven nations were reduced by \$800,000,000 in late revisions of the estimates, and the estimated needs of the remaining nations were increased by the same amount.

It is the earnest hope of the Senate Appropriations Committee that more realistic justifications will be presented for any appropriation to be made after next January for further expenditure in 1949 and in 1950. There is no reason why this appropriation cannot be sought in terms of expenditures that somebody actually proposes to make. The Congress should be asked to provide fixed sums for relief, for development of power, for shipping costs, for inland transportation, for administration, and for various recovery items. There is no reason why this Congress should be asked to appropriate money freely for worldwide expenditure for any commodity under the sun on the basis of studies of possible trade movement between the Western Hemisphere and western Europe.

The funds the committee recommends at this time are extremely generous. It is the largest recommendation for an appropriation ever made in peacetime for foreign aid in the history of our country. If the money is expended wisely, it may result in savings in our national military budget. If the recovery program is successful to any appreciable degree, it will open certainly whole new areas of trade and enterprise to American commerce.

With faith that a better world can be built out of the hopes of mankind; with hope for the promise of restored stability of European government and trade; with hope for a strong United States in a prosperous and peaceful family of democratic nations, the Senate Committee on Appropriations presents this bill to the Senate for action and asks for its passage.

Mr. President, I ask that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, on page 1, line 5, after the word "for", to strike out "the period beginning April 3, 1948, and ending June 30, 1949" and insert "such periods as are specified herein ending not later than June 30, 1949."

The amendment was agreed to.

The next amendment was, under the heading "Title I—Economic Cooperation", on page 2, line 1, after the word "until", to strike out "June 30" and insert "April 2."

Mr. VANDENBERG. Mr. President, this is the key amendment in the bill, and I shall ask for the yeas and nays, because I think it is highly important that the position of the Senate should be unmistakably plain.

I wish to say in a sentence to the able chairman of the Appropriations Committee that I am personally profoundly grateful to him and his committee for the good faith and good spirit in which

which menace the health, safety, and morale of millions is plain and ugly evidence that private enterprise is not doing the job. Any attempts to gloss over this situation will not stand up to scrutiny.

While we are genuinely concerned about the threat of communism, and are spending billions abroad to enable other countries to earn a standard of living which will make them prefer it to the false promises of communism, let us not overlook a weakness in our own nation.

THE CRITICAL HOUSING SITUATION

The character of family life, the conditions under which our children grow up and assume the obligations of citizenship, and the general attitude of the people toward their system of government are determined by the character of the home and the environment in which they live.

The Senate Committee on Banking and Currency took cognizance of this in its report where it stated:

The committee is convinced that we must take the measures which are necessary, not only to meet the housing needs of our expanding population but also to replace the backlog of bad housing within the foreseeable future. The committee is convinced that we cannot safely face the difficult years to come, with the burden of hardship and discontent which unsatisfactory housing imposes upon the people and that those conditions can no longer be accepted as unavoidable.

The final majority report of the Joint Committee on Housing, submitted on March 15, 1948, stated:

It is a matter of common knowledge that millions of American families are forced to live in slum dwellings which constitute a menace to health, safety, and decency, and which are particularly injurious to children brought up under such adverse conditions. The committee has heard an abundance of testimony in cities all over the Nation that the removal of families from the slums and their rehousing in decent dwellings at rents they can afford is one of the most pressing problems confronting the Nation.

The wide disparity between the rents which low-income families can pay and the prices at which private enterprise can supply decent housing, either new or second-hand, is so great that public aid must be made available if these families are to be decently housed.

The report concludes:

Only the low-rent public-housing formula, involving annual Federal subsidies and local tax exemption, would reduce rents sufficiently to meet the requirements of the average family in the lowest income third.

No one thought that a bill providing even for a small measure of public housing would ever escape from the House Banking Committee.

Several Republicans with a conscience joined the Democratic minority to restate the public housing provisions of the Taft-Ellender-Wagner bill by a vote of 14 to 13.

We do not want meaningless planks on housing in the platforms of the Democratic and Republican Parties when they assemble in political convention within the next 30 days.

We want the opportunity to vote, as representatives of the people, for a bill with public-housing provisions, this week.

We want to get on with our job of serving the American public.

Mundt-Nixon Bill

EXTENSION OF REMARKS OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article I wrote on the Mundt-Nixon bill, which appeared in the Brooklyn (N. Y.) Eagle on Sunday, June 13, 1948:

REPRESENTATIVE MULTER EXPLAINS OBJECTIONS TO MUNDT-NIXON BILL

(This is another in a series of articles written by Members of the Brooklyn delegation to Congress. Representatives are asked to discuss vital issues under debate in Washington. Each selects his own subject and treats it as he wishes.)

(By Representative ABRAHAM J. MULTER, Fourteenth Congressional District)

Few people find fault with the purpose of the Mundt-Nixon bill. With few exceptions, the difference of opinion is not in objective, but in the method of attainment thereof.

The bill properly defines the aims of communism (not the economic theories of co-operative movements, but the Soviet political ideology of a tyrannical dictatorship) as an attempt to enslave the world and to subjugate all of its people by any and all means, fair or foul, as Communists deem expedient.

No freedom-loving person objects to the declaration of principles there set forth.

AT WHOM IS THE BILL AIMED?

William Foster, president of the Communist Party of the United States of America, says it has only 15,000 members. The FBI and the Un-American Activities Committee say there are 75,000 avowed members. The committee estimates the number of fellow travelers at 750,000. The maximum number of votes they ever corralled in a national election was 102,891 in 1936 for William Z. Foster. In 1940 their candidate, Earl Browder, received only 46,251. Let us assume they can muster 1,500,000 voters. (I purposely exaggerate the figure to about double the estimates of the bitterest opponents of communism.)

In this country of almost 150,000,000 people, this year will find 90,000,000 qualified voters, and we can be sure at least 60,000,000 to 70,000,000 of them will vote.

Therefore this bill is aimed at a very small percentage of our people. If there is any possibility of it affecting adversely our basic American rights, we must look for a better way of combating the poisonous mouthings of this small but militant group.

In addition to a large Federal military force, every State has a substantial militia able to protect us against internal disorders. Vigorous enforcement of our State and Federal statutes (we have 27 Federal statutes alone) will keep them in their place.

HOW TO DEFEAT COMMUNISM?

Spreading of Americanism by teaching and practice can more effectually defeat this foreign ideology.

Nevertheless, my antipathy to communism is so deep-seated that I favor and would support a constitutional amendment to outlaw it. But nothing short of such an amendment can do.

There is no doubt (despite the sponsors' protestation to the contrary) that this bill does outlaw communism.

The bill, however, in an effort to disguise that purpose and in order to evade the constitutional restrictions against it, declares

persons and organizations guilty by legislative fiat and directs the Attorney General to so find. The penalties that flow from the Attorney General's findings are severe and onerous. The only review by any court is to determine whether the Attorney General proceeded in the manner provided. The Attorney General and not the court or a jury will determine the facts conclusively against any review.

HITS WALLACE BACKERS

Like it or not, some unions are openly supporting Wallace and his organization.

Under section 3, subdivision 3, the Wallace third party movement is a Communist political organization.

Under section 3, subdivision 4, a "Communist front organization" is one with respect to which some or all of the following considerations give rise to the reasonable conclusion "that its views and policies are in general adopted and advanced because such views and policies are those of a Communist political organization."

UNION MEMBERS IN PERIL

The innocent, decent American members of these misguided unions have no redress and no means of protection.

They are labeled members of Communist-front organizations and given no opportunity to clean house.

For instance, there is at least one union made up of Government employees, a large number of whom are supporting Wallace. Thirty days after the enactment of this bill every member will lose his job, no matter how hard he may be fighting within his union to rid it of Wallace supporters, Communists and fellow travelers.

My constituents can rest assured that, despite my opposition to the bill, I will continue in the forefront of the fight against communism. It will be carried on, however, with the utmost respect for our Bill of Rights, a Bill of Rights so eternally fine that it has been incorporated in the Charter of the United Nations and on May 2, 1948, at Bogotá, was made a part of the 21-nation agreement entered into at the Ninth International Conference of American States.

Many of the Members of Congress, including myself, tried to improve the bill by amendment. All our amendments were voted down because the committee in charge of this bill was insistent upon having it in the form they presented it and they would permit no changes, despite the fact that the bill in the form submitted to the House was never considered at a single public hearing. I hope that the Senate committee will not be badgered by the Communist opponents of this bill into approving this bill to show how anti-Communist the committee can be. No haste is needed in the enactment of this legislation. It should be carefully and thoroughly considered.

The Evil of Socialism: "When the Theory of Socialism Is Placed Into Practice It Becomes a Totalitarian Economic Control in Fact"—Stassen

EXTENSION OF REMARKS OF

HON. GEORGE MacKINNON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1948

Mr. MacKINNON. Mr. Speaker, under leave to extend my remarks I include an excerpt from the speech delivered by former Governor Stassen, of Minnesota, at Philadelphia, Pa., on June

1, 1948. The included remarks contain the best analysis of the fundamental evils of socialism that has come to my attention.

THE EVIL OF SOCIALISM—EXCERPT FROM SPEECH OF HON. HAROLD E. STASSEN

Socialism is an economic system under which the means of production and distribution are owned and controlled by the state. Classic socialism sounded fine. But when the socialist economy theory is placed into practice it becomes a totalitarian economic control in fact. Men lose their freedom to work, to earn, to invest, to buy, to sell, and to produce.

GOVERNMENT CONTROLS DAILY LIFE

They become dependent upon decisions of men in government as to where they shall work, what they shall earn, what they shall produce, where they may live, and what they may buy.

When economic liberties vanish, social and civil liberties cannot long endure.

This analysis does not mean there should never be any government ownership or socialism. There are great resources, such as major rivers and atomic energy, that can best be developed under the direct hand of government on behalf of the people. There are public facilities and conveniences, such as postal service and water, that can best be a part of the direct service of government. There are situations in which abuses of capital or shortcomings in private ownership can from a practical standpoint best be corrected by direct governmental operation. Governments which take steps of this kind for special reasons should not be called socialist. In fact the only completely socialist economics that exist in the world today are Russia and Yugoslavia.

INTENTION IS KEY

The key question is the direction and intention of the Government. The objective should be that the predominant production and distribution should be in private hands.

The greater the percentage is private, the stronger is the assurance of freedom and high production. Curbs do not need to be placed upon the extremes of selfishness. In many countries land reforms are overdue and monopolies need to be broken. But it must be clear that we believe that complete socialization of an economy, the bringing into control by government of production and distribution of a Nation's goods, results in low production and poor standards of living and the loss of liberties. Such a course by others puts an impossible strain and demand upon the country's capacity for foreign aid.

It is vital that with understanding and patience in connection with a generous program of aid to other nations we endeavor to dissuade them not to make the mistake of moving into completely socialized economies.

Taft-Ellender-Wagner Housing Bill

EXTENSION OF REMARKS OF

HON. JOHN F. KENNEDY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1948

Mr. KENNEDY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of Sunday, June 13, 1948, calling for the immediate passage of the Taft-Ellender-Wagner bill:

NO TIME FOR HOUSING?

The hour is late in Congress. Important matters crowd the calendar. Some bills will

obviously fall by the wayside. Yet we cannot believe that Members of Congress will be willing to return to their constituents and say that there was not time to pass a housing bill.

Something of the political urgency in this issue must have been at work in the minds of members of the House Banking Committee, we believe, when, to the considerable surprise of some House Members, there was a sudden switch of sentiment that overrode the wishes of the chairman, Representative WOLCOTT, Republican, of Michigan, and reinstated public-housing provisions of the Taft-Ellender-Wagner bill. The victory was by a hairline decision, 14 to 13. There is still no certainty of a vote in the House this week. But, at any rate, it is encouraging that conscience, or perhaps merely political awareness, has come awake.

There seems little doubt that the lobbying, or the testimony in open hearings, of some real-estate and business interests has succeeded in turning many House Members against public slum-clearing, low-rent housing. Representative WOLCOTT has called such housing socialistic. We find ourselves unmoved by the anxieties that this warning is intended to produce. We are convinced the surest safeguard for our traditional way of life lies in seeing to it that the American family has a decent place to live.

It is beyond our means to provide at once low-rent, subsidized housing for all who need it. But we can, at least, through the public housing provisions of the Taft-Ellender-Wagner bill and other features that promise substantial encouragement to private building demonstrate our good faith. Without that demonstration of good faith Congress' prolonged investigation of the housing shortage and any Republican platform plank on housing will become a hollow mockery. For the Republicans to fail to pass an adequate housing bill now, after all the talking done about housing, is to hand to the opposition in the coming campaign one of its most damaging political weapons. We are hopeful, of course, that they will be moved to action by more lofty purposes.

Address by President Demanding Congress Action on Eight Projects

EXTENSION OF REMARKS OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the address of President Truman demanding Congress action on eight projects, delivered before the Greater Los Angeles Press Club, and printed in the New York Times of Tuesday, June 15, 1948:

ADDRESS OF PRESIDENT DEMANDING CONGRESS ACTION ON EIGHT PROJECTS

(Following is the text of President Truman's address before the Greater Los Angeles Press Club yesterday as recorded and transcribed by the New York Times:)

This has been a most rousing welcome in this great city in southern California. The mayor of Omaha told me that the greatest crowd that had ever been on the streets of Omaha was there to see me at that great city. At Butte, Mont., there were more people in the arena than live in Butte. I think they must have come from miles around in order to see what I looked like and hear what I had

to say. At Spokane, Wash., early in the morning, there were about 2 acres of people downtown in a park in the center of town. In Seattle, the greatest reception they said that anybody had ever received in that great city. San Francisco, the same way. And here you top them all.

The reason I make that reference, it was said over the radio the other night by a Member of the Senate that I was stopping at the whistling stops and misinforming the people about the situation. Los Angeles is the biggest whistling stop at which I have been.

I have been trying to speak on the issues on this trip which are before the country. That's my privilege as President of the United States. I have a right and a duty to inform the people what I believe is good for the country. And I took this opportunity before Congress adjourned, because I think there are some things the Congress has not done that they should have done. And I wanted to give them an opportunity to find out what the people think of those things that they have not done. Therefore, I took this trip before the Congress adjourned in order that they may have that opportunity to act. I sincerely hope that they'll take advantage of that opportunity. They still have time and if they haven't time they ought to take it.

WANTS RECORD CLEAR

I wanted the record to be entirely clear. Congress should pass laws for the benefit of all the people, in my opinion, and they should pass those laws to meet the situations with which we are faced. And we are faced with some very serious situations.

One, I think, that is most important and is closest to everyone is prices. Prices have been on the skyrocket ever since July 1946, when the price-control law was repealed by furnishing me with an impossible law which I had to sign because I had vetoed one just as bad on the 30th of June. I had to take the law of July 31 or have none. And I said at that time that it was worse than none and it turned out to be just that.

Now, the price index, which is made by the Bureau of Labor Statistics and on which everyone in the country relies for the situation in the price set-up, at the time that those price controls were released, was in the neighborhood of 130 or 133. Immediately after those price controls were released that price index went up 20 points. And it has been steadily climbing ever since. It now stands in the neighborhood of 172 and a fraction.

That means that costs of everything that you have to have—food, clothing, everything which you have to buy—have gone up almost 50 percent. That means that the dollar that was worth a dollar at 133 is worth about 66½ cents at the present time.

RECALLS 10-POINT PROPOSAL

Now, in September 1945, in my message to the Congress which stated the 21 points on which I had proposed to stand as President, I asked for an extension of the price-control law which expired on June 30, 1946. In the message on the State of the Union in January 1946, I made the same request. In May 1946, I made the same request. I got nothing. I got a law that was no good. It wouldn't work. I called a special session of the Congress in November 1947. In the meantime, in the message on the state of the Union, I told the Congress what the state of the price situation was at that time.

In November 1947, when the special session was called, I set out a 10-point program which I asked the Congress to give me to meet the situation with which we were faced in regard to prices and commodities. It is the object of the price-control law in wartime to protect the consumer. It was a consumer's price-control law.

This Eightieth Congress has said that prices would adjust themselves. Well, the prices have adjusted themselves and are ad-

justing themselves and almost flown off the graph adjusting themselves in favor of the man who controls the goods—and the consumer pays through the nose.

Now, that situation has not been met. We should have a stand-by price-control law to be put into effect when it is necessary, and it is necessary right now and we should have an allocations law which would allow the allocations of scarce materials into the channels where they would do the most good. Nothing's been done about that situation. I still hope the Congress will act.

Now, the next thing in which you are vitally interested down here, and every great city in the country is vitally interested, is housing. Four years ago, while I was in the Senate, the Senate passed a bill called the Wagner-Ellender-Taft housing bill. That bill died in the House. Efforts have continually been made ever since that time to pass that bill. And the fundamental thing in that bill is a Federal low-cost housing program. That's a low-cost rental-housing program. Had that bill been passed 4 years ago, or 2 years ago, or 1 year ago, we would be beginning to get some benefit from it now.

This city, I think, understands the housing shortage better than the Congress does. While I was here during wartime you had an immense housing shortage. The mayor tells me that the situation has not improved because every GI who was trained in this part of the world wants to come back here and live.

The Taft-Ellender-Wagner bill—see, they reversed it in this Eightieth Congress—has passed the Senate and is now pending in the House. It would still be helpful if the House would pass that bill. The chairman of the Committee on Banking and Currency in the House has been sitting on that bill. But the other day he got the surprise of his lifetime. The committee took the bit in the teeth and 11 Democrats and 3 Republicans voted that bill out to the calendar of the House by a vote of 14 to 13. Eleven Democrats and three Republicans voted that bill out.

DOUBTS ACTION ON HOUSING

Now, it is necessary under the House rules that a rule be made so that that bill may be debated on the floor of the House and passed. The Rules Committee now can roost on that bill until the Congress adjourns unless the people of the United States wake up and do something about it and force action. The chairman of the Rules Committee is a little bit tougher than the chairman of the Banking and Currency Committee, so I doubt very much whether we'll get action, but the Congress ought to stay in session until we get action on the housing bill.

It's vitally important to the welfare of this country that we have proper housing—proper housing at a cost at which men and women can afford to live in the houses. At a cost which will not take everything that these GIs have. At a cost which would be easy on the people who have to pay the bill. I think the Wagner (Taft-Ellender-Wagner) bill would in all probability help to meet that situation. I sincerely hope something will be done about it.

Now I have another subject in which you are vitally interested and which I have been discussing on this trip and that is the labor situation.

The Republican platform of 1944, in bold, broad type, made the statement that they would build up a real Labor Department. That they would strengthen the Labor Department. You know what they have done to the Labor Department? They have practically abolished the Labor Department. They have practically put the Labor Department out of business. Not by proper legislation but by choking it to death with appropriations that are not sufficient.

The last great contribution that this Eightieth Congress made to the Labor Department was to so choke off the Bureau of Labor Statistics that it is impossible for them to act. And every business, every branch of the Government, is dependent upon the Bureau of Labor Statistics to find out just exactly what's happening in prices and in the labor market, and in everything else that goes on where statistics are needed. You see, they were not satisfied with taking the lid off the prices and letting them go at a mile-a-minute rate. They want to jerk the speedometer out of the car so you can't see how fast you are going to the dickens and to inflation.

URGES REBUILT LABOR DEPARTMENT

The last great effort they have made on the Labor Department is to take the United States Employment Service out of the Labor Department. They have already taken the Conciliation Service out of the Labor Department and I'm saying to you that I think the Labor Department is one of the most important and necessary departments of this Government and I think the Congress ought to study this situation and take the necessary action to restore the Labor Department to the department which I had built up in the first 2 years I took over. The Labor Department suffered during the war. It necessarily had to suffer during the war on account of the special agencies which went to work during the war. I have been trying to restore that Labor Department to its pre-war height. That is what ought to happen. I think Congress ought to take some action on that before they quit.

Now then, the Congress in their Republican platform was very much interested in social security. I've been asking the Congress to broaden the base of social security so more people could benefit from the Social Security Act—so that more people could get the benefit of employment insurance and help to pay it while they worked, so that when they are out of work they'll be contributing to their support when they are out of work and will not have to go on relief.

Now, do you know how Congress has broadened the base of social security? They've just taken 750,000 people off social security and sent me a bill to that effect and tied a rider onto it increasing the old-age assistance, hoping I'd take that bait and let them get away with tearing up social security. I didn't do it. I vetoed that bill this morning. I've told the Congress that if they would pass the bill in the proper form I'd be happy to sign it, and they have plenty of time to pass it in the proper form—don't think they haven't.

Now, I have had a health program. I sent the Congress a special message on health. * * * On health and health insurance. * * * And they have had plenty of time. There were hearings on that * * * to debate it * * * to go into it and they have done nothing about it. Now, the health of this Nation is the foundation on which the Nation is built. I've made a personal study of that situation. We've got a health and accident situation in this country that is the most disgraceful of any country in the world.

There are only two classes of people who can get the proper medical care nowadays, and that is the indigent and the very rich. The ordinary fellow who gets from \$2,400 to \$5,000 a year and is trying to raise a family and keep up a home can't afford to have his family get sick because he can't afford medical care at the price it has to be served at now. Something ought to be done about that. A healthy nation is a great nation. And unless we maintain the health of this Nation we will not have a great Nation.

I'm interested also in those people who are disabled in industry. I'm just as anxious to see those people restored to working ability

as I am to see the crippled GIs taken care of. We've done a magnificent job with the GIs. We can do the same sort of a job with those crippled in industry. In Seattle the other day I was in an institution that was just started to rehabilitate men and women who are injured in industry. Do you know that there are in the neighborhood of 26,000,000 people in this country who have been injured and who are permanently disabled or temporarily disabled and that the vast majority of those people could be rehabilitated and put back on a self-supporting basis if the situation was properly approached? That's appalling.

The vast majority of those people are injured in automobile accidents. The most terrible weapon that was ever invented by man. It is much safer in the front line in a war than it is on the roads in this country in peacetime when the automobiles are going full tilt. I have had session after session on that subject in Washington in an endeavor to remedy the situation. I wish the Congress would go into this health situation and pass an intelligent health bill for the benefit of the whole country, so that everybody could get medical care at a reasonable price when he needs it.

CITES AGRICULTURAL PROGRAM

I appointed a commission to make a survey of the educational situation in this country. That commission made a formidable report and pointed out exactly what the condition in the schools in this country is—what the conditions are today. And I made a recommendation to the Congress that the Federal Government make a contribution to the support of the schools of the Nation. No action—no action. It is the most disgraceful thing in this country that the teachers in this country are not adequately paid. There are conditions in nearly all the public schools in the country where the teacher has so many pupils under her care that she doesn't even have time to learn their names. Something must be done about that.

The bill has passed the Senate. It wouldn't take 10 minutes for it to pass the House if they weren't roosting on it over there. They should stay in session until they pass the bill for the assistance of education in this country.

Now, I have sent a special message to the Congress on agriculture. I made a speech on the agricultural program at Omaha, Nebr., on a national hook-up on all four networks and I set out very clearly in that statement and in the message which I had sent to the Congress what the agricultural program in this country should be.

You know those support prices for agriculture will expire at the end of this year. Now there is a bill pending before the Congress which is adequate to meet this situation if we could only get it passed.

A lot of the gentlemen who are interested in taking over the residence of the President of the United States in 1949 have been out in the Farm Belt telling the people what is necessary for a farm program and how strongly they are for it. Now some of these people have powerful influence in this Eightieth Congress and if they really mean what they say they ought to do something about it. They can do something about it. There is plenty of time.

You see, unless this price-support bill is passed the farm situation can very easily go back to what it was in the 1920's when the farmer had about \$4,700,000,000 in income against about \$30,000,000,000 last year; when the farmer didn't have a dime in the bank and if he had the money to put in the bank he's been afraid to go and put it in at that time. He now has \$23,000,000,000 in the banks and he is not afraid of losing it for there hasn't been a bank failure in this country in 3 years.

RECALLS WEBSTER COMMENT

Now, you's got something down here that you are vitally interested in and I'm vitally interested in and so is the whole West. I've told people all over the country west of the one hundredth meridian that water and the proper development and control of the water resources of that area is more important to that one-third area of the Nation than any other one thing in it, for without water you can't exist.

I always considered this of vital importance to this part of the country. And I have made recommendations on three separate occasions in the budget in regards to that, and this Congress last year cut that budget appropriation and they cut this one, but they didn't cut it quite as much because—well, this is 1948. It makes a difference. You know, Dan Webster, when we were—when the United States was trying to build the Pacific Railroad, made the statement in the Senate along in the 1830's that the West wasn't any good and the further it could be kept from the eastern part of the United States the better off the country would be. And there are a lot of Republicans nowadays who believe just like old Dan Webster did.

But money spent on reclamation and public power and irrigation is an investment. It gives a return of the money to the Treasury of the United States. It creates more agricultural production—and had it not been for the tremendous agricultural production of this part of the country and the Mississippi Valley this country would have been in an awful fix in the last war. That is one of the greatest contributions ever made in the history of the world that was made by agriculture during those war years and they are still making that contribution, for had it not been for the immense crops which we've been able to raise in this country millions of people would have starved to death.

You know, this country has done something never done before in the history of the world. This country has prevented the conquered nations from starving. In the Napoleonic Wars millions of people starved to death in Bavaria, in Germany, and in Poland. We've made every effort to prevent people from starving to death after this last terrible war and I want to see the agricultural sections of this country properly improved. I want to see the water resources of these rivers properly used. I want to see the proper development of the Columbia River Basin, the Central Valley of California, and the Colorado River, and I want to see the land irrigated on a power basis so that there won't have to be a brown-out in California in the summertime.

Now, gentlemen, that's a synopsis of eight important measures in which I am vitally interested. There are several more but the time is too short and I don't think I ought to try to inflict any more conversation on you about what Congress ought to do. I think I've made it perfectly plain in eight major instances. And I do that in a most kindly frame of mind. I know the majority of the Congressmen. As individuals, they are fine people. I have some of the best friends in the world in the Congress.

But when I speak of the Eightieth Congress and its accomplishments in the last year and a half I say that that Congress has not done very much for the benefit of the people. They passed a rich man's tax law, they've passed a lot of special legislation that helps special classes. And I'm against class legislation and I've tried to show that in numerous vetoes. And I've made this trip so I could lay before you personally my views on this subject and if I'm wrong you'll have a chance to tend to me later on, but if I'm not wrong you ought to tend to somebody else.

Thank you very much.

Kennedy Says Inflation Big Danger of ERP

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article from the New York Journal-American of June 13, 1948:

KENNEDY SAYS INFLATION BIG DANGER OF ERP

(By Robert S. Allen)

Joseph P. Kennedy, United States Ambassador to Britain, during the Roosevelt administration, yesterday stated there was no real meaning to the controversy between the Senate and the House over the House slashing of more than \$1,000,000,000 from the ERP appropriation bill.

Just returned from Europe, where he made an extensive survey of economic and political conditions, Kennedy declared in an exclusive interview that the Marshall plan offered no necessarily sound or permanent solution for the many and complex problems of the war-wrecked Continent.

"From my observations in Europe," he said, "I have concluded that no one has the right to say that any single plan is the answer to the numerous and great difficulties over there.

"No one can rightfully say that \$6,000,000,000 is the exact amount of money needed for the so-called recovery program.

"No one can rightfully say, as is being done, that a smaller sum would be disastrous.

"I make this statement on the basis of my extensive personal observations in Europe, and on the plain and simple facts of conditions there."

SEES INFLATION PERIL IN ERP

"The underlying weakness and danger of the ERP is that it can easily further increase and accelerate inflation in Europe as well as here in the United States.

"That is a fundamental danger the importance of which cannot be exaggerated.

"No one disputes the contention that we must help Europe. That is necessary.

"But, at the same time, we are only laying ourselves open to a lot of trouble both over there and here at home to go on the basis that any single plan or a certain sum of money is the answer to the problem.

"That's a delusion and a snare. Because, when we stop sending billions to Europe, as we will have to do sooner or later, they will hold it against us and resentment will be greater against us than if we hadn't done anything."

Kennedy laid great stress on the danger of incurring European hostility.

WARNS OF EUROPE'S HOSTILITY

He said Europeans envision this country as fabulously rich and prosperous, and have been told now for many months that the United States is going to put them back on their feet.

The European, Kennedy warned, translates all this in strictly personal terms; what it will mean personally to him in more food and other commodities.

"As a result," Kennedy declared, "when the time comes that we can't give them what they think they should have, they will be very sore and hold it bitterly against us.

"That's the reality about which very little is said, but which is a very important factor."

The growth and strength of communism among the masses in Europe, Kennedy asserted, is due basically to the underlying economic "imbalance" there—the spread that exists for the masses between their wants and their means of satisfying them.

Official statistics superficially deny this. Everywhere he went, Kennedy continued, he was shown reams of government statistics and charts proving production was steadily getting better.

But, actually, conditions are a different story, and they are not improving for the great mass of Europeans.

Not only are conditions no better for the ordinary European, Kennedy said, but the European sees no hope for the future.

Everywhere he went he found an "underlying feeling of hopelessness and discontent," he declared.

"That is giving communism its hold and its propaganda appeal. Communism feeds on discontent and hopelessness, and there is plenty of both in Europe."

CITIES BLACK MARKET

Illustrative of this basic economic imbalance, Kennedy cited the widespread black marketing. Everywhere he went, even in places where controls were supposed to function, he said he found on one hand mass need and poverty and on the other wealth and plenty.

"You can get anything you want in Europe if you have the money to pay for it," Kennedy declared. "The black market will supply you with white bread, the finest in foods, and other commodities. The European masses know that, and the Communists are making the most of it."

The simple fact is, Kennedy held that the great mass of European workers and salaried employees continues to suffer from the lack of balance between their needs and their means to satisfy these needs. This is the root problem in Europe.

The former Ambassador held that the Marshall plan does not of itself offer any sound or permanent solution.

"The world simply cannot without catastrophe continue indefinitely on the basis of conditions as they exist," he declared.

"There is no one solution for the problems of the world.

"They are too vast and too complex.

"Above all, we must never forget that we have many grave problems right here in our own country that are just as pressing and vital as those in Europe."

Outstanding among these domestic problems, the solution of which is necessary if ERP is to succeed, Kennedy asserted, is that of high prices and high profits.

MUST CURB PRICES

Unless United States business itself solves this problem, Kennedy warned, another and more painful solution might be forced on businessmen.

Either business takes steps to control high prices by reducing profits, he declared, or others will do it for business.

"United States business must accept a smaller margin of profits to bring prices down," the former chairman of the SEC asserted.

"Unless United States business does that, the spiraling of the price level will continue and that means just one thing, eventually—an economic bust.

"And the higher the spiral goes, the deeper will be the reaction.

"Piling on wage increases solves nothing, even temporarily.

"Only a small portion of the population is directly benefited by these boosts, while the whole country pays for them in the resulting inflationary price spiraling."

20. ANIMAL IMPORTS. Passed without amendment S. 1447, to prohibit inhumane handling of animals and birds in their importation (pp. 8673-4). This bill will now be sent to the President.
21. SELECTIVE SERVICE. Began debate on H. R. 6401, the selective-service bill (pp. 8679-99).
22. NAVAL APPROPRIATION BILL. Received the conference report on this bill, H. R. 6772 (pp. 8699-701).
23. FLOOD CONTROL. Received the conference report on H. R. 6419, which makes additional authorizations for flood control, including \$10,000,000 for this Department and Army Department for examinations and surveys (pp. 8701-4).
24. TRANSPORTATION. Received the President's veto message on S. 110, to authorize rate agreements among carriers, subject to ICC approval (H. Doc. 716) (pp. 8704-5).
25. FORESTS. The Public Lands Committee reported without amendment S. 2617, to include certain lands in the Carson National Forest, N. Mex. (H. Rept. 2372) (p. 8708).
26. FARM LABOR. The Agriculture Committee reported with amendments S. 2767, to provide assistance in recruitment and distribution of farm labor (H. Rept. 2379) (p. 8708).
27. FORESTS. The Public Lands Committee reported with amendment S. 1243, to provide for payment of revenues of certain lands, including some in the Mt. Hood National Forest, into the tribal funds of the Confederated Tribes of the Warm Springs Reservation, Oreg. (H. Rept. 2376) (p. 8708).

SENATE

28. OLEOMARGARINE TAXES. Sen. Butler, Nebr., submitted an amendment which he intends to propose to H.R. 2245, to repeal the tax on oleomargarine (p. 8585).
29. FOREIGN TRADE. Sen. Tydings, Md., inserted a Baltimore Sun editorial, "Ominous Implications of the Tariff Compromise" (p. 8587).
30. ELECTRIFICATION. Sen. Butler, Nebr., inserted Custer County (Nebr.) power district resolutions requesting distribution of power by the Reclamation Bureau in Nebr. (p. 8584).
31. CREDIT UNIONS. Concurred in the House amendment to S. 2225, to transfer administration of the Federal Credit Union Act to the Federal Security Agency (p. 8612). This bill will now be sent to the President.
32. FOOD AND DRUGS. Conferees were appointed on H.R. 4071, to amend the Federal Food, Drug, and Cosmetic Act so as to authorize enforcement of the Act in cases of adulteration or misbranding of goods held for resale, and seizure of such goods not only while in interstate commerce but while being held for sale (pp. 8612-3). House conferees appointed June 16 (see item 6).
33. FARM PROGRAM. Continued debate on S. 2318, the long-range farm program bill (pp. 8613-30). Agreed to the following amendments to the committee substitute: Several perfecting amendments reported by the Committee (pp. 8613-23). An amendment by Sen. Aiken, Vt., to extend CCC under the Delaware charter

until June 30, 1949 (pp. 8623-4).

By Sens. Williams (Del.) and Ives (N.Y.) to provide that any price-support program for poultry shall also cover broilers and ducks (pp. 8624-5).

By Sen. Downey, Calif. (for himself and Sen. Pepper, Fla.), to include in the policy declaration a statement on assistance in the retention of foreign outlets for farm commodities (p. 8624).

By Sen. Magnuson, Wash., to provide that if nonexpended Sec. 32 appropriations do not exceed \$300 million, CCC may, under certain conditions, carry out operations to support prices of perishable, nonbasic commodities to the extent that reserves are available (p. 8625).

By Sen. Brewster, Maine, to provide price support for Irish potatoes between 60% and 90% after Dec. 31, 1948 (pp. 8625-8).

By Sen. Sparkman, Ala., to exclude cotton produced in the U.S. but stored overseas from the determination of the normal supply (pp. 8628-9).

Rejected an amendment by Sen. Sparkman, Ala., to provide that cotton producers may vote marketing quotas whenever supplies are "normal" or above and the average farm price for three successive months does not exceed 90% of parity (p. 8629). The bill presently provides 70% of parity.

An amendment is pending by Sen. Cooper, Ky. (for himself and Sen. Barkley, Ky.), regarding cotton (pp. 8629-30).

Sen. Russell, Ga., submitted an amendment in the nature of a substitute which is identical with H.R. 6248, "the so-called Hope bill for the extension of the present agricultural program," which has already passed the House. It would also include an amendment continuing CCC and the Federal administration of ACP. (p. 8630.)

Sen. Capper, Kans., inserted a telegram from the Farm Bureau Federation urging passage of S. 2318 (p. 8584).

Sen. Tydings, Md., submitted an amendment which he intends to propose (for himself and Sen. O'Connor, Md.) to S. 2318 (p. 8586).

34. FLOOD CONTROL. Agreed to the conference report on H.R. 6419, the omnibus flood-control bill, which contains an authorization for appropriations of \$10,000,000 for this Department and the Army Department to carry out flood control examinations or surveys provided for in the bill (p. 8613).

35. TRANSPORTATION. Passed over the President's veto, 63-25, S. 110, to amend the Interstate Commerce Act so as to authorize certain rate agreements between carriers (pp. 8588-610).

36. DISASTER LOANS. Passed without amendment S. 2877, to authorize RFC, through the Disaster Loan Corporation, to make disaster loans up to \$25,000,000 with a 10-year repayment period, especially for housing, in the Ore.-Wash. flood area (pp. 8630-1).

The "Daily Digest" states that the Public Works Committee agreed to report with amendments, S. 2831, "to authorize Secretary of National Defense for 1 year to coordinate emergency activities of Federal agencies in disaster areas, and to authorize \$10 million for that purpose" (p. D663). The bill was later reported (S.Rept. 1728) (p. 8585).

BILLS INTRODUCED

37. PROPERTY MANAGEMENT. H.R. 6965, by Rep. Biehlman, N.Y., to create a General Property Office. To Expenditures in the Executive Departments Committee. (p. 8708). Remarks of author (pp. A4163-4).

38. HOUSING. H.R. 6959, by Rep. Angell, Ore., "to amend the National Housing Act." To Banking and Currency Committee. (p. 8708.)

ITEMS IN APPENDIX

39. FARM LOANS. Rep. Trinble, Ark., inserted his statement pointing out advantages to his constituents through the Farmers' Home Administration (pp. A4134-6).
40. COST OF LIVING. Rep. Multer, N.Y., inserted Dr. Frank Kingdon's N.Y. Post article urging action to reduce the cost of living (p. A4136).
41. FARM INCOME. Rep. Worley, Tex., inserted a Farming for Profit editorial, "The 'Poor' Farmer," which includes a statement by Nathan Koenig (USDA) that "the opportunities of good living in rural areas lag far behind the rest of the Nation" (p. A4150).
42. FEDERAL SALARIES. Extension of remarks of Rep. Devitt, Minn., favoring salary increases for Federal employees, and including a St. Paul Pioneer Press article on the subject (pp. A4162-3).
Extension of remarks of Rep. Havenner, Calif., urging salary increases for Federal employees (pp. A4168-9).
43. PRICE CONTROL. Rep. Coudert, N.Y., inserted a N.Y. Times article, "Business Tides—Price Fixing Into Farine" (pp. A4181-2).
44. FARM PROGRAM. Memorial address in the Senate by Sen. Sparkman, Ala., outlining agricultural legislation sponsored by the late Sen. Bankhead, Ala. (pp. A4183-4).
45. FOREIGN AID. Various remarks and insertions on the ERP (pp. A4162, A4172-3, A4185).
46. T.V.A. Rep. Sadowski, Mich., inserted a N.Y. Times editorial, "A New Attack on TVA" (pp. A4167-8).

BILL APPROVED BY THE PRESIDENT

47. FOREIGN AFFAIRS; HEALTH. S.J.Res. 98 provides for U.S. membership and participation in the World Health Organization and authorizes an appropriation therefor. Approved June 14 (Public Law 643, 80th Cong.).

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COMMITTEE HEARINGS ANNOUNCEMENTS for June 17: S. Appropriations, 2nd deficiency appropriation bill and (ex.) independent offices supplemental appropriation bill; H. Expenditures in the Executive Departments, Federal traffic activities; H. Banking and Currency, Wolcott housing bill (ex.); conference on displaced persons bill (ex.); conference on water-pollution-control bill (ex.); H. Small Business, small business and the ECA program (ex.).

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 113 Adm.

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S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 16 (legislative day, JUNE 15), 1948
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. TYDINGS (for himself and Mr. O'CONOR) to the bill (S. 2318) to provide for a coordinated agricultural program, viz:

- 1 At the proper place in the bill insert the following:
- 2 “, except that for the purpose of computing the parity price
- 3 for Maryland tobacco the base period shall be the period
- 4 August 1936 to July 1941 in lieu of the period August
- 5 1919 to July 1929”.

80TH CONGRESS
2^D Session

S. 2318

AMENDMENT

Intended to be proposed by Mr. Tydings (for himself and Mr. O'Connor) to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 16 (legislative day, JUNE 15), 1948

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S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 16 (legislative day, JUNE 15), 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SALTONSTALL to the bill (S. 2318) to provide for a coordinated agricultural program, viz:

- 1 On page 82, line 6, strike out "in the national interest"
- 2 and insert "for national defense".

6-16-48—H

80TH CONGRESS
2d Session

S. 2318

AMENDMENT

Intended to be proposed by Mr. SALTONSTALL
to the bill (S. 2318) to provide for a coordi-
nated agricultural program.

JUNE 16 (legislative day, JUNE 15), 1948

Ordered to lie on the table and to be printed

80TH CONGRESS
2D SESSION

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 16 (legislative day, JUNE 15), 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. RUSSELL to the bill (S. 2318)
to provide for a coordinated agricultural program, viz: Strike
out all after the enacting clause and insert in lieu thereof
the following:

1 That, notwithstanding any other provision of law, the
2 Secretary of Agriculture is authorized and directed through
3 any instrumentality or agency within or under the direction
4 of the Department of Agriculture, by loans, purchases, or
5 other operations—

6 (a) To support prices received by producers of cotton,
7 wheat, corn, tobacco, rice, and peanuts marketed before
8 June 30, 1950, if producers have not disapproved marketing
9 quotas for such commodity for the marketing year beginning

1 in the calendar year in which the crop is harvested. The
2 price support authorized by this subsection shall be made
3 available as follows:

4 (1) To cooperators at the rate of 90 per centum
5 of the parity price for the commodity as of the beginning
6 of the marketing year;

7 (2) To noncooperators at the rate of 60 per centum
8 of the rate specified in (1) above and only on so much
9 of the commodity as would be subject to penalty if
10 marketed.

11 All provisions of law applicable with respect to loans under
12 the Agricultural Adjustment Act of 1938, as amended, shall,
13 insofar as they are consistent with the provisions of this sub-
14 section, be applicable with respect to loans or other price-
15 support operations authorized under this subsection, and the
16 provisions of Public Law 163, Seventy-ninth Congress, shall
17 continue in effect.

18 (b) To support until June 30, 1950, a price to pro-
19 ducers of commodities with respect to which the Secretary
20 of Agriculture by public announcement pursuant to the
21 provisions of the Act of July 1, 1941, as amended, requested
22 an expansion of production of not less than 60 per centum
23 of the parity or comparable price therefor nor more than
24 the level at which such commodity was supported in 1948,
25 except that Irish potatoes harvested before January 1, 1949,

1 milk and its products, hogs, chickens, and eggs shall be
2 supported at 90 per centum of the parity or comparable
3 price. The comparable price for any such commodity shall
4 be determined and used by the Secretary for the purposes
5 of this subsection if the production or consumption of such
6 commodity has so changed in extent or character since the
7 base period as to result in a price out of line with parity
8 prices for the commodities referred to in (a) hereof. In
9 carrying out the provisions of this subsection the Secretary
10 of Agriculture shall have the authority to require compliance
11 with production goals and marketing regulations as a con-
12 dition to eligibility of producers for price support.

13 (c) Sections 1 and 3 of the Act approved August 5,
14 1947 (Public Law 360, Eightieth Congress), are amended
15 by striking out in each section the date "December 31, 1948"
16 wherever it appears and inserting in lieu thereof the date
17 "June 30, 1950".

18 (d) It is hereby declared to be the policy of the Con-
19 gress that the lending and purchase operations of the Depart-
20 ment of Agriculture (other than those referred to in sub-
21 sections (a), (b), and (c) hereof) shall be carried out so
22 as to bring the price and income of the producers of other
23 agricultural commodities not covered by subsections (a),
24 (b), and (c) to a fair parity relationship with the com-
25 modities included under subsections (a), (b), and (c);

1 to the extent that funds for such operations are available
2 after taking into account the operations with respect to the
3 commodities covered by subsections (a), (b), and (c). In
4 carrying out the provisions of this subsection the Secretary
5 of Agriculture shall have the authority to require compliance
6 with production goals and marketing regulations as a condi-
7 tion to eligibility of producers for price support.

8 SEC. 2. From any funds available to the Department
9 of Agriculture or any agency operating under its direction
10 for price support operations or for the disposal of agricul-
11 tural commodities, the Secretary of Agriculture is author-
12 ized and directed to use such sums as may be necessary to
13 carry out the provisions of section 1 of this Act.

14 SEC. 3. Section 22 of the Agricultural Adjustment Act,
15 as added by section 31 of the Act of August 24, 1935
16 (49 Stat. 773), reenacted by section 1 of the Agricultural
17 Marketing Agreement Act of 1937 (50 Stat. 246), as
18 amended, is hereby amended to read as follows:

19 “SEC. 22. (a) Whenever the President has reason to
20 believe that any article or articles are being or are practically
21 certain to be imported into the United States under such
22 conditions and in such quantities as to render or tend to
23 render ineffective, or materially interfere with, any program
24 or operation undertaken under this title or the Soil Conserva-
25 tion and Domestic Allotment Act, as amended, or section

1 32, Public Law Numbered 320, Seventy-fourth Congress,
2 approved August 24, 1935, as amended, or any loan, pur-
3 chase, or other program or operation undertaken by the
4 Department of Agriculture, or any agency operating under
5 its direction, with respect to any agricultural commodity or
6 product thereof, or to reduce substantially the amount of any
7 product processed in the United States from any agricultural
8 commodity or product thereof with respect to which any such
9 program or operation is being undertaken, he shall cause
10 an immediate investigation to be made by the United States
11 Tariff Commission, which shall give precedence to investiga-
12 tions under this section to determine such facts. Such in-
13 vestigation shall be made after due notice and opportunity
14 for hearing to interested parties, and shall be conducted
15 subject to such regulations as the President shall specify.

16 “(b) If, on the basis of such investigations and report
17 to him of findings and recommendations made in connec-
18 tion therewith, the President finds the existence of such
19 facts, he shall by proclamation impose such fees not in excess
20 of 50 per centum ad valorem or such quantitative limita-
21 tions on any article or articles which may be entered, or
22 withdrawn from warehouse, for consumption as he finds and
23 declares shown by such investigation to be necessary in
24 order that the entry of such article or articles will not render

1 or tend to render ineffective, or materially interfere with,
2 any program or operation referred to in subsection (a),
3 of this section, or reduce substantially the amount of any
4 product processed in the United States from any such agri-
5 cultural commodity or product thereof with respect to which
6 any such program or operation is being undertaken: *Pro-*
7 *vided*, That no proclamation under this section shall impose
8 any limitation on the total quantity of any article or articles
9 which may be entered, or withdrawn from warehouse, for
10 consumption which reduces such permissible total quantity
11 to proportionately less than 50 per centum of the total
12 quantity of such article or articles which was entered, or
13 withdrawn from warehouse, for consumption during a repre-
14 sentative period as determined by the President: *And pro-*
15 *vided further*, That in designating any article or articles,
16 the President may describe them by physical qualities, value,
17 use, or upon such other bases as he shall determine.

18 “(c) The fees and limitations imposed by the Presi-
19 dent by proclamation under this section and any revocation,
20 suspension, or modification thereof, shall become effective
21 on such date as shall be therein specified, and such fees shall
22 be treated for administrative purposes and for the purposes
23 of section 32 of Public Law Numbered 320, Seventy-fourth
24 Congress, approved August 24, 1935, as amended, as duties

1 imposed by the Tariff Act of 1930, but such fees shall not
2 be considered as duties for the purpose of granting any
3 preferential concession under any international obligation of
4 the United States.

5 “(d) After investigation, report, finding, and declara-
6 tion in the manner provided in the case of a proclamation
7 issued pursuant to subsection (b) of this section, any
8 proclamation or provision of such proclamation may be sus-
9 pended or terminated by the President whenever he finds
10 and proclaims that the circumstances requiring the proclama-
11 tion or provision thereof no longer exist or may be modi-
12 fied by the President whenever he finds and proclaims that
13 changed circumstances require such modifications to carry
14 out the purposes of this section.

15 “(e) Any decision of the President as to facts under
16 this section shall be final.

17 “(f) No proclamation under this section shall be en-
18 forced in contravention of any treaty or other international
19 agreement to which the United States is or hereafter becomes
20 a party.”

21 SEC. 4. Section 8 (a) of the Soil Conservation and
22 Domestic Allotment Act, as amended (U. S. C., 1940 edi-
23 tion, Supp. V, title 16, sec. 590h (a)), is amended (a) by
24 striking out “January 1, 1949” wherever appearing therein

1 and inserting in lieu thereof "January 1, 1950"; and (b)
2 striking out "December 31, 1948" and inserting in lieu
3 thereof "December 31, 1949".

4 SEC. 5. The first sentence of subsection (a) of section 7
5 of the Act approved January 31, 1935 (49 Stat. 4), as
6 amended, is amended by striking out "June 30, 1948" and
7 inserting in lieu thereof "June 30, 1950".

8 SEC. 6. This Act shall take effect on January 1, 1949,
9 except that sections 3 and 5 shall take effect on the date of
10 enactment of this Act.

Amend the title so as to read: "An Act to authorize
the Secretary of Agriculture to stabilize prices of agricultural
commodities; to amend section 22 of the Agricultural Adjust-
ment Act, reenacted by the Agricultural Marketing Agree-
ment Act of 1937; and for other purposes."

S. 2318

AMENDMENTS

Intended to be proposed by Mr. Russell to the bill (S. 2318) to provide for a coordinated agricultural program.

JUNE 16 (legislative day, JUNE 15), 1948

Ordered to lie on the table and to be printed

S. 2318

IN THE SENATE OF THE UNITED STATES

JUNE 16 (legislative day, JUNE 15), 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SALTONSTALL to the bill
(S. 2318) to provide for a coordinated agricultural program, viz:

- 1 On page 82, line 3, after the word "determined" insert
- 2 "by the Secretary after public notice and hearing of record".

AMENDMENT

Intended to be proposed by Mr. SALTONSTALL
to the bill (S. 2318) to provide for a coordi-
nated agricultural program.

JUNE 16 (legislative day, JUNE 15), 1948

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Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 4071) to amend sections 301 (k) and 304 (a) of the Federal Food, Drug, and Cosmetic Act, as amended, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CAPEHART. I move that the Senate insist upon its amendments, agree to the request of the House for a conference and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer appointed Mr. CAPEHART, Mr. REED, Mr. MOORE, Mr. JOHNSON of Colorado, and Mr. MCMAHON conferees on the part of the Senate.

CONSTRUCTION WORK ON RIVERS AND HARBORS—CONFERENCE REPORT

Mr. REVERCOMB. Mr. President, I submit a conference report on House bill 6419, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The conference report will be read.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6419) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses, as follows:

That the Senate recede from its amendment numbered 25.

That the House recede from its disagreement to the amendments of the Senate numbered, 1, 2, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 26, 27, 28, 29, 33, 34, 35, 36, 37, 38, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: strike out the words "in accordance with the report of the Chief of Engineers dated March 8, 1948" and insert in lieu thereof the following: "House Document Numbered 682, Eightieth Congress"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: strike out the figures "568" and insert in lieu thereof the figures "668"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: strike out the words "his report dated February 19, 1948" and insert in lieu thereof the words "House Document Numbered 643, Eightieth Congress"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: change the period to a comma and add the following: "and the authorization for the Lower Mississippi River project is increased accordingly."; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amend-

ment of the Senate numbered 31, and agree to the same with an amendment, as follows: strike out the words "his report dated August 22, 1947" and insert in lieu thereof the words "House Document Numbered 651, Eightieth Congress"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: on page 10, lines 10 and 11, of the amendments of the Senate, strike out the following "at prices, on terms, and with titles satisfactory to him"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: strike out the figure "65,000,000" and insert in lieu thereof the following figure "62,000,000"; and the Senate agree to the same.

CHAPMAN REVERCOMB,
GEORGE W. MALONE,
EDWARD MARTIN,
JOHN L. MCCLELLAN,
SPESSARD L. HOLLAND,

Managers on the Part of the Senate.

GEO. A. DONDERO,
EARL WILSON,
J. HARRY MCGREGOR,
HOMER D. ANGELL,
WILL M. WHITTINGTON,
HENRY D. LARCADE, JR.,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the conference report?

There being no objection, the report was considered and agreed to.

CORRECTION OF THE RECORD

Mr. MCMAHON. Mr. President, I ask unanimous consent that the RECORD of yesterday be corrected on page 8539. The RECORD reads:

If I may accept the criterion of the junior Senator from Idaho, I suppose I have concealed information.

It should read:

If I were to accept the criterion of conduct suggested by the junior Senator from Idaho I would conceal information vital to the matter under discussion. This, of course, I could not do.

The PRESIDING OFFICER. The correction will be made.

JUDICIAL CODE AND JUDICIARY

Mr. DONNELL. Mr. President, on page 8108 of the CONGRESSIONAL RECORD of June 12 of this year, there appear, among other things, in the course of remarks made by myself, the following two sentences having to do with H. R. 3214:

Extensive hearings were held, at which various controversial matters, and particularly one controversial matter, relating to the Tax Court, were heard. As a net result of the facts so developed, it was concluded by the subcommittee of the Senate Judiciary Committee that it was advisable to withdraw from House bill 3214 all provisions by which the Tax Court would be placed under the judiciary.

Mr. President, in making that statement I was in error. As a matter of fact, as a net result of the facts developed at the hearings it was concluded by the subcommittee of the Senate Judiciary Committee that there should be retained in House bill 3214 the various provisions by which the Tax Court would be placed under the judiciary.

Subsequently, however, when the matter was presented by the subcommittee to the Committee on the Judiciary, it became obvious that it was impossible to secure the passage on the Consent Calendar of this very important bill if the provisions with respect to the Tax Court were to be retained in it.

Therefore, Mr. President, the members of the subcommittee, uniting with the other members of the Senate Committee on the Judiciary who were present, arrived at the conclusion that it was advisable and proper that the provisions with respect to the Tax Court should be withdrawn from H. R. 3214.

Mr. President, the fact is that the subcommittee, of which I had the honor to be chairman, in its own conclusion determined that the Tax Court should be left in the bill. The Committee on the Judiciary itself, with full approval of the three members of the subcommittee, including myself, determined, for the reasons stated, that the Tax Court provisions should be withdrawn. In the interests of accuracy, Mr. President, I desire to make this statement. I may say that the provisions with relation to the Tax Court were withdrawn from the bill as passed.

LEAVE OF ABSENCE

Mr. KNOWLAND asked and obtained consent to be excused from attendance on the sessions of the Senate for the remainder of today and all day tomorrow.

LONG-RANGE AGRICULTURAL PROGRAM

The Senate resumed the consideration of the bill (S. 2318) to provide for a coordinated agricultural program.

Mr. WHERRY. Mr. President, let me say for the benefit of Members of the Senate that it is our intention to continue in session until at least 9 o'clock on the farm program bill, which is the unfinished business. The Senator from Vermont has been very patient while privileged matters have been considered. The afternoon has been taken away from him, but I hope that Senators will give this bill their attention so that it may be expedited.

Mr. ELLENDER. Mr. President, I desire to make a few remarks in support of the farm program bill which is now before the Senate.

The Committee on Agriculture and Forestry has been at work for months on this measure. We have discussed the need for and content of a long-range program with the Secretary of Agriculture, we have held public hearings not only here in Washington but across the country, we have written and rewritten the several sections which we thought should go into a long-range bill, and we have finally agreed upon S. 2318 and respectfully present it to the Senate for consideration.

This is much more than simply another bill. It is a summary of all our experience and study in the farm program field over the last decade. Good legislation grows. This is that kind of legislation. It is the first general agricultural bill which has been before the Senate since we enacted the Agricultural Adjustment Act of 1938. It is specifically related to that and other farm legislation now in effect with a view of rounding out, as far as possible at this time,

a coordinated, well-balanced agricultural program.

The bill in its present form is somewhat different from the bill which was introduced by members of the subcommittee of the Committee on Agriculture and Forestry on March 15, 1948. In the bill originally introduced there was a provision which would make it optional with farmers to accept the old parity formula or the new parity formula which is now based on the ten-year moving average. After much discussion the committee concluded to stick to one formula rather than two. I understand that an amendment will be submitted to the Senate in an effort to restore the option to growers to take either the present parity formula or the new one provided for in the pending bill. If and when such an amendment is presented, I expect to support it, because it was at my instance that the original bill included that language.

The bill streamlines and continues what we are now doing in the agricultural field. As I have already said, its roots go a long way back. Some of the outstanding legislative items which have contributed to our agricultural program are worth recalling.

It started with the Agricultural Adjustment and Farm Credit Acts of 1933. It was under the Agricultural Adjustment Act of 1933 that farmers first found an opportunity to work together in order to stabilize their prices and bring supplies in line with demand. Then the Congress enacted the Soil Erosion Act of 1935, the act under which the Soil Conservation Service presently operates. There were other acts amending or supplementing these basic acts—for example, the Bankhead Cotton Act of 1934, the Kerr Tobacco Act of 1934, the Jones-Costigan Sugar Act of 1934, and the DeRouen Rice Act of 1935.

Then the processing tax-benefit-payment provisions of the Agricultural Adjustment Act of 1933 were invalidated by the Supreme Court in January 1936. Shortly thereafter the Congress passed the Soil Conservation and Domestic Allotment Act, which extended the original Soil Erosion Act by the addition of sections 7 to 17, authorizing an agricultural conservation program and shifting emphasis in the agricultural adjustment field from temporary acreage adjustment to soil conservation and improved farm-management practices.

We then started to work trying to write a new Agricultural Adjustment Act. This resulted in the Agricultural Adjustment Act of 1938 which continued and amended the conservation legislation, authorized the establishment of acreage allotments and marketing quotas on cotton, wheat, corn, tobacco, rice, and (later) peanuts, authorizing the making of loans by Commodity Credit Corporation on agricultural commodities, and provided for the establishment of 4 regional research laboratories for the purpose of finding new uses and markets for agricultural products and byproducts.

Let me say at this point, Mr. President, that I participated in the drafting as well as the passage of the Agricultural Adjustment Act of 1938. I was fortunate at that time in being appointed a mem-

ber of a subcommittee of the Senate Committee on Agriculture and Forestry. That committee made a tour of the country, and the facts gathered by the committee formed the basis of the Agricultural Adjustment Act of 1938.

This act, the Agricultural Adjustment Act of 1938, was the last piece of really broad-scale agricultural legislation which the Congress has considered and enacted. Meanwhile, there have also been other acts relating or adding to the agricultural program—the Bankhead-Jones Farm Tenant Act of 1937, the several acts authorizing further research or increased extension activities, including our most recent act for strengthening work in the research field and giving increased emphasis to marketing work, the Research and Marketing Act of 1946.

Much of the legislation I have been talking about centered around our great staple or basic commodities, but the Congress has not forgotten or overlooked the nonbasic or more perishable commodities. Section 32 of Public Law 320, Seventy-fourth Congress, appropriated funds for each fiscal year equal to 30 percent of the customs receipts for agricultural purposes; and, following the Supreme Court decision in January 1936, the Congress reenacted and revised all of the earlier marketing-agreement legislation in the Agricultural Marketing Agreement Act of 1937.

It was under those several acts that our agricultural program was being operated when we found ourselves faced with World War II. To further strengthen the agricultural program and to meet our wartime needs, the Congress passed, and the President approved on July 1, 1941, the so-called Steagall amendment. It was under that amendment and related legislation that the Secretary of Agriculture was directed to support prices for the producers of the basic and specified nonbasic agricultural commodities at various rates, finally at 90 percent of their parity or comparable prices for all of the basic and Steagall commodities except cotton, for which the final rate was 92½ percent of parity. Those supports were to run for 2 years following the actual end of hostilities, and all of us are aware that the termination date of this legislation has now been definitely fixed as December 31, 1948.

Senate bill 2318 streamlines and continues what we are now doing, but it is not in itself a complete farm program. Many of the things we desire in a farm program are provided for by legislation already in effect, and some of them are provided by separate proposed legislation which the Congress must finally pass before adjournment, especially the bill providing a Federal charter for the Commodity Credit Corporation.

Mr. President, at this point I wish to say that I understand that my distinguished colleague the Senator from Vermont [Mr. AIKEN] will submit an amendment providing for continuing the Commodity Credit Corporation for at least another year.

Mr. AIKEN. Mr. President, if the Senator will yield, let me say that is correct. It seems to me that the safe thing to do is to add to this bill an amend-

ment continuing the Commodity Credit Corporation for another year, because although the Commodity Credit Corporation charter bill may be acted on by the House of Representatives and may go to conference, we simply cannot afford to take the risk of having the Commodity Credit Corporation go out of business on July 1.

Mr. ELLENDER. I have understood that the bill rewriting the charter of the Commodity Credit Corporation, which the Senate passed, is now pigeonholed in the House Banking and Currency Committee. Is that correct?

Mr. AIKEN. I would not say it is pigeonholed. They are talking of acting on it.

Mr. ELLENDER. At any rate, it is still there.

Mr. AIKEN. But they're talking of amending it to such an extent that I fear it would be difficult for the House and the Senate to get together regarding it during the time remaining in this session.

Mr. ELLENDER. Then I repeat that in order to make our program complete, as it has been in the past, it will be necessary that we revitalize, as it were, the Commodity Credit Corporation, if we are to obtain the support-price conditions which are outlined in the bill.

Mr. AIKEN. That is correct.

Mr. ELLENDER. Actually, Mr. President, Senate bill 2318 has two general objectives. The first is that it provides for the coordination of agricultural programs, especially conservation activities, at the national, the State, and the county levels. Second, the bill provides for agricultural commodities a flexible price-support program which takes into account changes in supplies and is specifically designed to obtain fair prices for farm products and assure abundant production. We believe that Senate bill 2318 not only will benefit farmers, but also will aid in stabilizing our national economy at a satisfactory high level.

Title I of the bill is concerned primarily with the coordination and administration of agricultural programs, and especially with the general reorganization and administration of the agricultural conservation program and the Soil Conservation Service.

To begin with, section 101 provides for combining into a single "Bureau of Agricultural Conservation and Improvement" the functions presently assigned to the Soil Conservation Service and the Agricultural Conservation Programs Branch, Production and Marketing Administration, as well as other functions deemed by the Secretary to be principally related to soil conservation and improvement. This is in line with recommendations of the Secretary of Agriculture.

The assignment of the new agency would also include those aspects of the program of the Department which require direct dealing with farmers, except for, first, educational, informational, and demonstrational features, which would be exercised through the Extension Service; second, research and investigational features, which would be carried out through the State agricultural

experiment stations; and third, such other functions as would be performed in the States and counties through the State agricultural councils, county and community agricultural program committees, and county agricultural program executive committees. This section specifies that the furnishing of technical service, machinery, and equipment to soil conservation districts and others would be performed directly by the Bureau of Agricultural Conservation and Improvement. Regional offices of the Soil Conservation Service are required to be abolished.

In addition to consolidating the Agricultural Conservation Program and the Soil Conservation Service into a single new agency, the chief changes in the existing law or methods of operation required by section 101 are first, the shifting to the Extension Service of educational, informational, and demonstrational work relating to conservation; second, the shifting of the research and investigational work relating to conservation to the State experiment stations; and third, the abolishing of the regional offices of the Soil Conservation Service. Technical assistance, machinery, and equipment to soil and other conservation districts would be supplied directly by the new agency, and the Agricultural Conservation Program, as well as other activities, would be administered or given general direction through the community, county, and State agricultural committees or councils.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ELLENDER. I gladly yield.

Mr. THYE. In the consolidation and unification of the educational, informational, and demonstration work under the Extension Service, and the shifting to the State experiment stations of the research and the investigational work relating to conservation, does the Senator believe that such a program coordinates and brings together desirable units, and makes use to the best advantage of all the services available in the State?

Mr. ELLENDER. That is my belief.

Mr. THYE. I honestly believe that we shall have a more effective program as a result of the consolidation which will go forward under this program. In the same way that we recognize that new machines constitute improvements in the mechanical field, so in this case we recognize that improvements can be made in an administrative field.

Mr. ELLENDER. There can be no question about that.

Mr. THYE. I am delighted to hear the Senator agree as to that; I am very happy to hear the Senator make that statement.

Mr. ELLENDER. Mr. President, section 102 authorizes the use of funds appropriated for conservation work for educational functions which the Secretary determines should be carried out by the State extension services. The section also authorizes the use of such funds or of funds appropriated specifically for educational or demonstrational functions covered by section 101 (a) to

be paid to the several States and the Territory of Hawaii in accordance with the terms of the Smith-Lever Act of May 8, 1914, except that there is no requirement for matching such funds. It is expressly provided that these sums shall be in addition to and not in substitution for other extension moneys.

Section 103 provides for the creation of a new division in the Office of Experiment Stations to be known as the "Division of Soil Conservation and Improvement." That is to carry out the plan the Senator has just discussed. Section 104 authorizes the Secretary to allot funds, other than grants-in-aid funds, which are available for functions to be performed under section 101 (b) to the agricultural experiment stations in the several States, Alaska, Hawaii, and Puerto Rico. That is, sections 103 and 104 provide the mechanics by which conservation research and investigations now carried on by the Federal conservation agencies shall be decentralized to the States and administered.

Section 105 provides for the election by the farm operators within each local administrative area of a community agricultural program committee having three members, and certain alternates. The community committee is to perform within its area functions assigned to it by the Secretary pursuant to section 101 (c), or otherwise, and the local areas now used under the Conservation and Domestic Allotment Act are to serve as the local areas under this section; but the county agricultural program committee may from time to time designate different areas. This section redefines the method of electing community committees and broadens their responsibilities.

Section 106 provides for the creation of a county agricultural program committee which consists of members of the several community agricultural program committees in the county, the agricultural extension agent for the county, and one representative designated by each of the agencies concerned with conservation or other agricultural interests as the State agricultural council may specify, except that such representatives must be at least one less than the total number of community committees. That, of course, makes the committee almost completely controlled by the farmers themselves. Again, this committee is to perform such functions as the Secretary may assign pursuant to section 101 (c), or otherwise. This section creates a county agricultural program committee for which there is no counterpart under present legislation.

Section 107 provides for the election of a county agricultural program executive committee of not less than three nor more than five members as determined by the State agricultural council, and first and second alternate members. The committee is elected by the county agricultural program committee from among its members and through personnel employed by it performs such functions as the Secretary assigns pursuant to section 101 (c). In effect, this section provides for changes in the method

of the election of the county committee which now handles the agricultural conservation program.

Section 108 provides for a State agricultural council to consist of 3 ex officio members and 4 elected members plus 1 additional elected member for each full 20 counties in the State or fractional remaining number of 11 or more, except that in any event the number of additional members shall not be less than 2. The commissioner, secretary, or director, as the case may be, of agriculture, the director of the agricultural experiment station, and the Director of the Agricultural Extension Service, or their respective designees, shall be the ex officio members. The election of the regular members is by the chairmen of the county agricultural program executive committees but not more than half of the elected members are to be chosen from among their number.

This section also provides that the State agricultural council shall develop plans to effectuate the purposes of section 7—the section providing for the agricultural conservation or national payments program—of the Soil Conservation and Domestic Allotment Act in each State, shall perform functions assigned to it by the Secretary pursuant to section 101 (c) or otherwise, shall supervise and direct the work of the county committees, and shall with the approval of the Secretary make arrangements with the Agricultural Extension Service for the conduct of educational and demonstrational programs. Provision is made for the council to employ a State administrator and other necessary personnel. This section provides for electing members of the State council whereas presently such members are appointed. They are appointed, as all Senators know, by the Secretary of Agriculture. I understand the distinguished Senator from Vermont proposes further to amend the pending bill so as to provide that the Secretary shall have the opportunity of selecting the State councils from panels elected by the farmers.

Mr. AIKEN. The Senator from Louisiana is referring to a matter which was discussed in the Agricultural Committee meeting yesterday morning, as a result of which an amendment will be offered providing that the Secretary of Agriculture, in order to maintain continuity from the Secretary right down through the grass roots, shall name a State council, but that he shall name it from a list submitted by the farmers of the State through their county agricultural chairman.

Mr. ELLENDER. It is really indirectly done by the farmers themselves, is it not?

Mr. AIKEN. That is correct.

Mr. ELLENDER. The farmers elect the county committees.

Mr. AIKEN. That is true. The Secretary may not appoint anyone not nominated and approved by the chairmen of the county committees, who are chosen by the farmers themselves. They submit three names for each one the Secretary has to choose. In this way we feel we are requiring perfect coopera-

tion all the way from the Secretary's office down through to the community committee.

Mr. ELLENDER. I understand that plan was submitted by a representative of the Secretary of Agriculture, and I also understand it meets with the approval of the Secretary.

Mr. AIKEN. The Department of Agriculture itself objected to any change in the present method of naming the State committee, but a few days ago they came to the conclusion they were willing to have the farmers of the State submit a list of nominees, from which list the Secretary is required to choose the committee. In that way it is practically farmer-controlled, because the Secretary cannot name anyone not approved and nominated by the farmers of the State.

Mr. ELLENDER. The Senator will agree, will he not, that that is really a compromise between the views of the Secretary of Agriculture and the views of the committee?

Mr. AIKEN. That is a compromise, but it seems to me to be a very healthy compromise.

Mr. ELLENDER. I agree.

Mr. AIKEN. The Department was fearful that if the State committees were not at all tied to the Secretary's office, a wide variety of programs might be set up—possibly, if we wanted to go to the extreme, 48 different programs in the 48 different States—which would probably result in wastefulness, at least in some States.

It seems to me to be a very workable and sensible compromise, because the farmers still name their committeemen, and their State councilmen. The farmers nominate them, and then the Secretary goes through the process of appointing them.

Mr. LUCAS. Mr. President, will the Senator yield on this point?

Mr. ELLENDER. Yes; I yield gladly.

Mr. LUCAS. Is the Senator still discussing section 108?

Mr. ELLENDER. Yes.

Mr. LUCAS. Has that been changed in any respect?

Mr. ELLENDER. Not as yet.

Mr. AIKEN. There was a meeting of the committee, at which about eight or nine members were present yesterday morning, and it was discussed at that time. We decided upon offering several amendments. This particular amendment, which is the longest, has not yet been printed and brought to our desks, but that is what it provides, that the Secretary shall appoint the members of the State council from a panel submitted by the chairmen of the county committees of each State.

Mr. LUCAS. How many would there be in the panel?

Mr. AIKEN. There would be three farmers in the panel for each one the Secretary appoints. He would have to appoint one out of three selected by the farmers and certified to him.

Mr. LUCAS. That at least is a compromise of section 108 as written in the bill. I have always been concerned about that section, because of what the Senator from Vermont has pointed out. I

think I have made my position concerning it known from time to time. I undertake to say the whole authority for the conservation program cannot be lodged in 48 different State councils or 48 different groups, if it is desired to continue to have the kind of national and regional soil-conservation program which seems to be so vital and so necessary to the welfare of all the people.

Mr. ELLENDER. We are all familiar with the views of the distinguished Senator from Illinois, and of course his views are in strict accord with those of the Secretary of Agriculture. As the Senator from Vermont will recall, several meetings were held in his office. Representatives of the Secretary's office visited with us and discussed the problem. The suggestion which is incorporated in the amendment which the distinguished Senator from Vermont expects to offer to this bill was really made by a representative of the Secretary's office.

Mr. AIKEN. I think the Senator from Minnesota [Mr. THYE] was a member of the committee. I know there was a representative of the Department of Agriculture present, and we got together on this compromise. I can say it is wholly acceptable to and has been declared workable by the Department of Agriculture. I know that it is acceptable to some farm organizations, although not all have been consulted as yet.

Mr. LUCAS. It would not make any difference to me whether a farm organization agreed or disagreed. I would never agree, as one individual Senator, to permit the soil-conservation program to be divided up into 48 areas and lodge the sole responsibility for its development and administration in the respective States. The responsibility for the development and the broadening of the soil-conservation program rests upon every individual in America, and collectively the citizens of America can discharge that obligation only through the Federal Government. Soil conservation is a national policy. We cannot break it down into States. In my opinion, the formulation and control of the policy must remain with the Secretary of Agriculture.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. I should like to call the attention of the Senator from Illinois to another series of amendments which will be offered. The Secretary of Agriculture approves this or that suggestion after consultation with the State council. At the suggestion of the Department we are offering amendments which will authorize him to approve programs and other things upon recommendation of the State council. The Secretary himself said he thought that would be more workable and, in his opinion, along with the other amendment which has just been discussed, would bring the actual carrying out of the operations closer to the people of the States. There seems to be no possibility of a diffusion of effort for the establishment of many diverse programs in the various States.

Mr. LUCAS. Does the Senator recall to what section that amendment

would apply? I am referring to the last amendment.

Mr. AIKEN. On page 48, lines 10 and 11, there is an amendment in connection with incentive payments to farmers in each State for soil-conservation practices. The bill provides that they shall be made only for practices approved by the Secretary of Agriculture after consultation with the State agricultural council.

At the suggestion of the Department, we are proposing that it shall read "only for practices approved by the Secretary of the United States Department of Agriculture upon the recommendation of the State agricultural council."

The Secretary thought that would be more workable.

There is a series of similar amendments to different parts of the bill which will have the same effect.

Mr. LUCAS. Let me say, if I may, in the Senator's time, that throughout the hearings my contention has been that we cannot divide the responsibility. We must lodge responsibility somewhere, and that somewhere, in my judgment, is the Secretary of Agriculture. The moment we give, even by inference, any reason for a State group to obtain authority, we are courting a situation whereby the soil-conservation program will be seriously impaired, because we shall have two agencies trying to make a decision on the same question. If this amendment shall accomplish what the able Senator from Vermont intends, I am very happy that there is an agreement with the Agricultural Department upon it.

Mr. ELLENDER. I have no doubt that it will accomplish what the Senator is now contending for.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Minnesota.

Mr. THYE. The Senator from Illinois raised the question of whether there could be divided authority between the Secretary of Agriculture and the State council. As the bill is now written, I do not believe there could be any question as to whether the authority was divided. The State council would make a recommendation to the Secretary as to the type of program known to be best suited to the areas of the State, and the Secretary would accept it, execute it, and carry it out. So, rather than having divided authority, we are aiding the Secretary by getting a recommendation from the State council as to type of program.

When we met with the Secretary and the Secretary's assistants, the very fear that the Senator from Illinois recognized and stated was discussed. The reason for the amendment is to clarify the question so that there shall not be any divided authority or responsibility.

Mr. LUCAS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. I think it is well to bring out these points in the debate to show the legislative intent of the language which is being used in the bill, so that if there be any doubt about it, the Secre-

tary of Agriculture will know how the legislative body feels regarding it.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. From my experience in serving on boards of this character, I think this amendment will bring about better coordination than did the old program. The States will have an opportunity to offer a program, and the Secretary can modify it if he so desires. In the past there were frequently long arguments. So here is a chance for the counties and States to initiate their own program and have it rejected or accepted by the Secretary.

Mr. ELLENDER. Mr. President, the duties and functions of the committee or council are spelled out in more detail than is now the case and additional duties are added, such as the development of State plans under section 7 of the Soil Conservation and Domestic Allotment Act.

Section 109 authorizes and directs the Secretary to make payments from available funds to the council and committees set up under the preceding section to cover their estimated administrative costs. It is further provided that these costs may be deducted pro rata from payments or grants-in-aid to farmers as is now being done in administering the current agricultural conservation program. Section 109 further provides that no person shall be a member of more than one council or executive committee established under the act.

Title II of Senate bill 2318 consists of a series of amendments to the Soil Conservation and Domestic Allotment Act in order to further reinforce or supplement the various changes called for under title I.

Section 201 amends section 7 (d) of the Soil Conservation and Domestic Allotment Act to provide for approval of State plans by the State councils prior to approval by the Secretary. Provision is also made for the disbursement of funds available for carrying out State plans under the direction of the State councils. These changes give the State councils a voice in the approval of State plans and make the new State councils and local committees proper agencies to administer such plans.

Section 202 extends for two additional years the authority for a national conservation program under sections 7 through 17 of the Soil Conservation and Domestic Allotment Act.

Mr. LUCAS. Mr. President—

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Louisiana yield to the Senator from Illinois?

Mr. ELLENDER. I yield.

Mr. LUCAS. In line 7 the bill provides:

No such plan submitted by a State of the United States shall be approved by the Secretary, except after consultation with the State agricultural council created pursuant to the Agricultural Act of 1948.

Do the amendments take care of the situation covered in section 201?

Mr. AIKEN. The amendment proposes that the Secretary shall accept the plan upon the recommendation of the State

council. It was at the Department's own suggestion that that change was recommended.

Mr. ELLENDER. But the final arbiter will be the Secretary of Agriculture.

Mr. AIKEN. That is correct; the Secretary must approve all these programs. I think in most States that is being done today. The committees which are established formulate the State programs, and I think the Secretary, for the most part, approves them.

Mr. ELLENDER. That has been the case in the past. The only difference is that under the old plan the Secretary of Agriculture appointed the State committees directly, and under this proposal they are to be appointed in the manner we discussed a few moments ago.

Mr. AIKEN. That is correct.

Mr. LUCAS. My only reason for continuing to stress the point I raised under section 108, as I recall, was to continue to indicate that I think the final authority for these matters must rest in the Secretary of Agriculture, and in the bill it is provided as I just read. If that language is left in the bill, I can readily see how there could easily come about some turmoil and some differences of opinion as to how much consultation, for instance, the Secretary of Agriculture had with the State agricultural council.

What I hope to see accomplished, if we ever pass a long-range bill of this kind, is the prevention of as much friction and as much disturbance between the Secretary of Agriculture and the various State agencies as possible, in order that we may ultimately have the kind of smoothly running program which is necessary.

Mr. AIKEN. I believe that is the reason why the Department recommended changing the words to "upon recommendation of" instead of "after consultations with."

Mr. LUCAS. I understand the difference.

Mr. AIKEN. The Department said it would make for much smoother operation.

Mr. LUCAS. I think it is an exceedingly wise substitute for the language I have just read.

Mr. AIKEN. That language we propose to ask to have substituted in about half a dozen places throughout the bill.

Mr. ELLENDER. Under the language of the bill, with the amendments which will be suggested by the distinguished Senator from Vermont, there is no question, in my mind, that the Secretary will be the final arbiter, and that the plans will originate at the grass roots, as it were—at the community level, the county level, the State level, and on to Washington.

Mr. AIKEN. The Senator from Louisiana is entirely correct.

Mr. ELLENDER. There is no question about that, in my judgment.

I now resumé my statement about the bill. This authority for a national program is necessary since less than half of the States have enacted legislation providing for State operation of the agricultural conservation program under section 7 of the Soil Conservation and Domestic Allotment Act.

Section 203 amends section 8 (b) of the Soil Conservation and Domestic Allotment Act to eliminate the provision for community, county, and State committees and to substitute in lieu thereof the authorization and direction to the Secretary to utilize the new State council and local committees provided for in the bill.

Section 204 amends the Soil Conservation and Domestic Allotment Act by striking out the provisions of section 8 (e) relating to the provision of practice payments and substituting a new section which subdivision (1) requires approval of conservation practices by the Secretary after consultation with State councils. I understand that language will be changed.

Mr. AIKEN. That will read "upon recommendation of the Secretary."

Mr. ELLENDER. Exactly. Subdivision (2) limits payment to those practices which the Secretary after consultation with State councils determines have long-term conservation and improvement value; and subdivision (3) provides for a division of payments among landlords, tenants, and sharecroppers based on the relative value of their contribution to, and benefits from, the practices performed on the farm. This section also eliminates the small payment increases provided for under the current law and further provides for a limit on the amount of payments for conservation practices in the amount of \$1,000.

Mr. LUCAS. Does the Senator from Louisiana object to interruptions?

Mr. ELLENDER. Not at all.

Mr. LUCAS. I should like to ask a question or two in regard to section 18, and I think it is well that we do this for the RECORD as we go along.

Mr. ELLENDER. What page?

Mr. LUCAS. It is section 204. It says "section 18" in my draft.

Mr. THYE. It refers to section 18 on line 2, page 69.

Mr. LUCAS. The Senator is correct. I refer to paragraph (c), which reads:

Payments or grants of aid to farmers in any State, under a State plan or by the Secretary, for soil-building or soil-conserving practices shall be * * * divided among the landlords, tenants, and sharecroppers of any farm, with respect to which such payments are made, on the basis of relative value of their contributions to, and benefits received from, such practices.

Did the committee at any time have any testimony before regarding the administrative difficulty such a standard might create for the Department of Agriculture?

Mr. AIKEN. If the Senator from Louisiana will yield, I will say that upon the recommendation of the Department those words "and benefits received from" should be deleted, because the Department felt that there would be greater harmony in the operations of the act if those four words were eliminated.

Mr. ELLENDER. That is in the series of amendments which the Senator will offer.

Mr. AIKEN. I mean that they might not be in harmony with the preceding statement. It is difficult to tell what the benefits are.

Mr. ELLENDER. Mr. President, section 205 amends section 11 of the Soil

Conservation and Domestic Allotment Act relating to the transfer of funds to State and Federal agencies and to State and county committees to conform to the new State and county organization set up under S. 2318.

As I indicated earlier, the second major objective of S. 2318 is to provide for a flexible price-support program for agricultural commodities. Title III, which amends the Agricultural Adjustment Act of 1938, provides for this flexible program. Again I want to say that these amendments or provisions are not new or untried. Rather, they are based directly upon the legislation and administrative procedures which have been gradually developed and tried out since 1938.

We all know the job which farmers did during the last war. Food production was increased by a third at a time when the fate of the world literally hung upon American food supplies. Support prices authorized under the Steagall amendment and related legislation were the most important devices used in encouraging farmers to meet our wartime goals. We need to continue the authority to use support prices to maintain or increase production of commodities under emergency conditions. S. 2318 does that.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield, or would he rather complete his statement before he yields?

Mr. ELLENDER. No; I gladly yield.

Mr. HOLLAND. The Senator, of course, is familiar with the naval-stores industry because he has much of that industry in his own State. I should like to know from the able Senator what provision for price support of that important industry is provided under the terms of the pending measure.

Mr. ELLENDER. I may say to the Senator from Florida that the products of naval stores are described under the old act as being agricultural products. They would be treated just the same as any other product of agriculture.

Mr. HOLLAND. Mr. President, will the Senator further yield?

Mr. ELLENDER. Yes.

Mr. HOLLAND. I should like to say that I have received several telegrams today from people engaged in that industry in my State who are concerned about those provisions of the bill which they feel would give them less substantial protection than they are given under present law. I have been working on other legislation and am not familiar with the provisions of the bill which relate to the naval-stores industry. If the Senator would describe in brief the provisions of the bill which relate to that industry I would appreciate it.

Mr. ELLENDER. There is no specific language in the bill which relates to this industry, no more than there is for nonbasic commodities. The only crops mentioned are the original five basic crops contained in the act of 1938, plus peanuts which were added later. All the other commodities are treated in the nature of nonbasic commodities.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. Yes.

Mr. AIKEN. The definition of "naval stores" which, I suppose are turpentine and resin, was made by the Secretary; that is those products were defined as agricultural products, and under this bill they would be eligible for support up to 90 percent of parity the same as other nonbasic commodities.

Mr. ELLENDER. That was the point I was discussing when the Senator from Florida asked me to yield.

Mr. CONNALLY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. Yes.

Mr. CONNALLY. I understand that the basic commodities are named in the bill, and then there are a great many others which are called non-basic commodities. The non-basic commodities are subject to the provisions of the bill as well as the basic commodities, but not in the same fashion.

Mr. ELLENDER. The Senator is correct.

Mr. CONNALLY. I should like to ask the Senator from Vermont a question. Let us consider wool. Is wool a basic commodity under the bill?

Mr. AIKEN. No, wool is not a basic commodity, because a basic commodity is one which is easily storable, and which is usually produced in exportable quantities. But the bill does provide mandatory support for wool from 60 to 90 percent of parity. The Secretary is directed to support the price of wool so as to encourage production of 360,000,000 pounds annually. In order to encourage such production he would have to support wool at 90 percent of parity, which would mean about a 46 cents a pound support level at the present time.

Mr. ELLENDER. That is treated separately, in a provision of the bill which deals with wool exclusively, and it provides for parity loans and so forth of not more than 90 and not less than 60 percent of parity.

Mr. CONNALLY. My State produces a great deal of mohair, which is a form of wool, as I view it.

Mr. ELLENDER. If it is wool it is covered.

Mr. CONNALLY. We think it is wool. I wanted to ask the Senator if mohair would be eligible for the benefits of this proposed legislation?

Mr. AIKEN. It is my opinion that mohair would be eligible for support as a nonbasic commodity up to 90 percent of parity, in the discretion of the Secretary.

Mr. CONNALLY. So that if the Secretary so ruled it would be eligible up to 90 percent of parity?

Mr. AIKEN. If it were proven that it was wool it would have the same support, of course.

Mr. ELLENDER. I think wool means the wool from sheep. I do not know that it means wool from any other animal. I do not want to mislead the Senator, but I doubt if it would mean wool from any other animal.

Mr. CONNALLY. Some people refer to what is on one's head as being wool. I do not know that that is an accurate description; but, at any rate, it would be a matter for consideration by the Secretary of Agriculture.

Mr. AIKEN. Certainly mohair is eligible for support up to 90 percent of parity in the discretion of the Secretary, after he considers the several criteria, one of which is whether he has money enough to do it, of course.

Mr. CONNALLY. So it is the Senator's belief that it is covered?

Mr. AIKEN. Absolutely; that is my belief.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. I might add by way of information for the Senator from Texas that as I understand, from the facts developed before the committee, wool, so far as its production is concerned, is at a low peak, so to speak, compared with former years. The bill definitely provides for a goal of 360,000,000 pounds.

Mr. AIKEN. Yes, 360,000,000 pounds is the goal. We are producing now only about 300,000,000 pounds.

Mr. LUCAS. So as long as we produce only that amount the parity price is going to stay close to 90 percent, due to the failure to reach the goal we have attempted to achieve.

Mr. AIKEN. Let me add that if this formula does not secure the desired amount of wool necessary for national defense, the Secretary of Agriculture is authorized to break through the 90 percent limitation and place the support at such a level as will secure any product in quantity essential for national needs.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. I should like to ask the Senator from Vermont a question. The House bill as written does not cover a raise in support level for the product which has just been mentioned even should an emergency exist and stepped up production was necessary to the national interest.

Mr. AIKEN. As I understand the House bill contains no provision whereby the 90 percent ceiling could be broken to encourage an increase in production of any commodity in the event of a national emergency. The Senate bill does carry that provision.

Mr. YOUNG. That is something which has been very important many times in the past. For instance 2 years ago, when flax seed was very scarce in the United States, and selling for six to seven dollars a bushel in Argentina, our only other chief source of supply, and it was necessary to increase production, the Secretary of Agriculture increased the support level to 165 percent of parity, which brought about the production necessary in the United States and saved the American public a great deal of money. Supporting flax prices at \$6 a bushel in this instance benefited both the user and producer.

Mr. ELLENDER. The Senator will agree also that the Steagall amendment was passed by Congress for that very purpose; to increase production in nonbasic commodities.

Mr. YOUNG. What I was trying to bring out is that unless this long-range farm bill is passed with such a provision in it, there will be nothing that can be

done about it when the bill goes to conference, because the subject is not covered by the House bill.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Do I correctly understand that naval stores constitute a non-basic crop under the bill, but are not one of the nonbasic crops that are specially covered by a special section as well?

Mr. ELLENDER. Yes.

Mr. HOLLAND. And therefore would come under the provision which fixes the ceiling of price support at 90 percent, but which has no figure below that at which price support begins? Is that correct?

Mr. ELLENDER. The Senator from Florida is correct.

Mr. HOLLAND. One further question: Am I also correct in my understanding that the provisions with reference to the computation of parity for naval stores are those which apply to the nonbasic food crops?

Mr. ELLENDER. As I understand, in the bill there is a special formula for the six basic commodities; but with respect to the nonbasic commodities there is a formula provided in the bill which is not rigid, but which is more or less spelled out, to be used by the Secretary of Agriculture to make a determination. We are talking now about the pending bill.

Mr. HOLLAND. My understanding is that under the current law the basic period on which the parity price is figured for naval stores is the period from 1910 to 1914.

Mr. ELLENDER. The Senator is correct.

Mr. HOLLAND. Likewise, the 90 percent, which is the maximum permitted under the law, is now applicable to naval stores?

Mr. ELLENDER. That is correct.

Mr. HOLLAND. Does the Senator have any figures showing how the naval stores parity price would be affected by the formula prescribed by this bill for nonbasic commodities, as compared with the way they are affected under the present law?

Mr. ELLENDER. The Senator from Vermont has a table in his hand. I shall be glad to yield so that he may give the Senator the exact figures.

Mr. AIKEN. Mr. President, I have a table furnished by the Bureau of Agricultural Economics, which shows that under the modernized parity formula the parity price of gum rosin, all grades, would be \$5.83 a hundred, as compared with \$6 under the old parity formula. However, as I understand, the Senator from Georgia [Mr. RUSSELL] proposes to offer an amendment which would include the cost of hired labor in computing the parity formula. If the cost of labor is included, then the parity price of gum rosin under the new formula would be \$6.16 a hundred, of 16 cents a hundred more than it is under the present parity formula. There is very little change.

As to gum turpentine, there is a reduction from \$1.14 a gallon under the old formula, or the one we are using at present, to 78.8 cents a gallon under the new formula, without wages, or 83.3 cents

with wages. But there is a provision in the bill which prevents a sudden drop in the parity price. It cannot drop more than 5 percent a year. Therefore, the drop from \$1.14 would be between 5 and 6 cents a gallon under the new parity formula.

Mr. HOLLAND. For the first year.

Mr. AIKEN. For the first year.

Mr. HOLLAND. And thereafter each year until the new parity figure was entirely applicable.

Mr. AIKEN. Assuming that the drop were to continue. However, there is no assurance that it would continue. If back in 1938, 1939, and 1940, turpentine was selling at a low price in comparison with other agricultural commodities, and we were to substitute the high price of the past 3 years, there is a possibility that the new parity formula would come back up and meet the old.

In fact, we believe that in 2 or 3 years' time most commodities would level off, so that there would be scarcely any difference between computing parity by the method we use today and by the method which is proposed in the bill.

The average parity price of all farm commodities is the same, whether figured by the old formula or the proposed new one. There would be some sharp drops. For example, avocados, which were hardly known in the period from 1910 to 1914, today have a parity value of something like \$800 a ton. They have dropped to \$200 a ton, because they have come out of the luxury class. I think there are a few other commodities, perhaps, grown in the State of Florida which have dropped, too. There is no use in trying to say that some would not drop. Others would rise. Here we have the case of rosin rising and turpentine dropping somewhat. Probably the Senator from Florida knows why. I do not know. We do not get anything but maple sirup out of our trees in Vermont. But that is the way the computation is made by the Bureau of Agricultural Economics.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. I should like to make one observation, in view of the colloquy between the Senator from Florida and other Senators. If Senators take the position that they require a bill which will give to every commodity, basic and nonbasic, the same kind of parity price which it is receiving at the present time, we shall never get a bill through the Senate, in my judgment. I come from a Midwest section, where we raise corn, wheat, and soybeans. Corn and wheat are taking a terrific lacing in this program at the present time—much more than what the Senator from Florida discusses.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. THYE. Would the Senator mind if I interrupted to point out that the drop can be only on the basis of 5 percent for a given year? We recognize that we must do that, because there is a drop, so far as the parity formula is concerned, on certain commodities. The reason for that is the extreme low prices in the years 1938 and 1939, which, figured into

the flexible 10-year period, cause a drop. Then, as we drop off the year 1939 and pick up the year 1949 in the 10-year period, we immediately commence to restore the balance, and get back closer to the present parity formula. That is the reason for the protection of the 5-percent provision.

Mr. AIKEN. Precisely.

Mr. ELLENDER. Let me point out to the Senator from Illinois, since he has mentioned corn, that under the new formula the price of corn would be \$1.42 a bushel. Under the old it would be \$1.60. So there is a loss of 18 cents a bushel.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LUCAS. Mr. President—

Mr. ELLENDER. I yield to the Senator from Illinois.

Mr. LUCAS. The Senator from North Dakota wants to discuss wheat.

Mr. YOUNG. The Senator from North Dakota would like to have a supported price of \$5 for wheat. No doubt the Senator from Illinois would like to have a support price of \$3 or \$4 for corn. But that is not possible. If we go back to prewar years, before the Steagall amendments, the support levels were away down. I believe that the farm organizations are taking a constructive view. They want, as every farmer wants, a long-range program, rather than 1 year of high support followed by a great deal of trouble, and then no support at all. Sometime we shall have to get back to peacetime supports at a fair level and this bill does just that. I believe every farmer would rather have long-range assurance of at least \$1.82 for wheat than \$2.21 for 1 year and no assurance for the future.

Mr. ELLENDER. As I pointed out a while ago, the Steagall amendments were adopted by the Congress to increase production. If this bill is not enacted, we shall go back to the old law, which provides a formula of 52 to 75 percent.

Mr. THYE. That is correct.

Mr. ELLENDER. As I pointed out a while ago, the parity formula in this bill is from 60 to 90 percent.

The Senator from North Dakota mentioned wheat. Under the new formula the price of wheat will be \$1.82. Under the old it would be \$2.21, or a loss of 29 cents a bushel.

Mr. YOUNG. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. YOUNG. Does not the Senator think that under the 5-percent provision, it will be possible for the price gradually to decline and taper down?

Mr. ELLENDER. Yes; over a period of 5 or 6 years it would be possible to make that difference.

Mr. YOUNG. Mr. President, I believe that all the farmers much prefer to have a permanent support level which will give them some assurance of security, even at a lower level, rather than to have a high level for awhile, and then have nothing at all 2 or 3 years from now.

Mr. ELLENDER. I think there is no question about that.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I am glad to yield.

Mr. LUCAS. I wish to emphasize the point I made a moment ago, in view of the questions and answers which have occurred on this particular phase of the problem.

Of course some of the producers of basic commodities and some of the producers of nonbasic commodities will have to make a sacrifice. Others will gain by the new arrangement. But we are trying to reach a modernized formula which will enable the farmers to go along year after year without any serious change—in other words, a situation much different from that which would exist under an obsolete formula. Under the present proposal, we shall have an up-to-date formula.

A moment ago, the Senator said that in the event the cost of hired labor was included in the parity formula, the particular product about which he was inquiring would have a better price. Of course, that is what I am afraid we shall have to meet before we finish this bill: First one and then another will try to add to this program some amendment by which a particular commodity in his section of the country will receive the benefit. Sooner or later there may be cheap labor. If that does occur, then should cheap labor be figured into the parity formula, the very persons who wanted to have labor included in the parity formula will say, "Labor is cheap now, so let us take it out of the parity formula."

That is the primary reason labor was not included in the parity formula in the beginning—it was cheap. If it had been included then, there would not have been the parity prices which have existed during all these years; parity prices would have been much lower.

So, as one Senator on this floor, I shall do all I can to defeat any amendment to this parity formula; and I hope every member of the Committee on Agriculture and Forestry will stand by the formula. Let us go through with this parity formula as it is, and not attempt to fool around by adding additional factors at this late date, because when we do that we shall be sure to get into unsurmountable trouble.

There is only one reason anyone would wish to add labor to this formula at the present time, and that is to increase the parity price. Under the method as now proposed, we realize that in our section of the country corn and wheat will be taking a considerable loss, but the farmers there are willing to have that done. We want to operate on a permanent basis, as the Senator from North Dakota so well described a moment ago. Obviously these high prices cannot continue forever. We would like to get back to a normal condition under which it will be possible to go along on a basis of sustained abundance and protection to the American farmer, so that he will know, when he puts in a crop, that he will get a decent price for it.

Mr. THYE. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. THYE. Let me say that the senior Senator from Illinois is entirely correct

when he speaks about the question of figuring the labor cost into the parity formula. At the present time, in the inflationary era, the high cost of labor would work to advantage in raising the parity price; but it would work to a great disadvantage in a period of depression, because then it would have a tendency to pull prices down even lower. Certainly, if there is ever a time when parity support of prices is needed, it is in a time of deflation, rather than in a period of inflation, such as we are in now.

I should like to comment in connection with the thought the able Senator from Illinois expressed in regard to the question of a farm program. Certainly no one who is engaged in agriculture would wish to subject the consumer to unreasonable prices because of the price-support program. All that the farmers want is a program giving soundness to the prices of the commodities they raise in relation to the prices of articles produced by other workers or by business. In other words, the farmers simply want an equal chance with the other groups in our economy in order that they may be able to produce the food the consumers must have at all times and in all years.

Mr. YOUNG. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. YOUNG. The Senator from Illinois and the Senator from Minnesota are absolutely correct about the question of the inclusion of the cost of labor in the formula. I recall that approximately 2 years ago an amendment to include the cost of labor in the parity formula was offered on the floor of the Senate. At that time I voted for it. Naturally, it would have boosted the parity-price levels existing at that time. But I voted for it, against the advice of the farm organizations, which had made a very intensive study of the farm program.

I admit now that I made a mistake in doing that, and it would be a mistake now to raise the formula by means of such a provision, for we would only hurt the farmers later, when the cost of labor declines.

Mr. LUCAS. Mr. President, if the Senator from Louisiana will yield to me at this point, I should like to say that in view of all the changes we are making in this bill at the present time, the Department of Agriculture will have enough to do to administer this program efficiently and effectively in the next few years to come. I undertake to say that the inclusion of hired labor in the formula would make the formula very difficult to administer. If we add another factor to the parity formula, the administration at the other end of the Avenue will find its troubles vastly increased.

I do not wish to disturb the parity formula which has worked so well all these years. The machinery for administering it is now set up, and those who are charged with its administration know exactly what to do; they know all the factors that are involved in it; and the entire operation under the present arrangement is a going and successful concern.

But the moment we add the cost of labor to the parity formula, we upset the

apple cart in a way that will make it most difficult for the program to be administered.

Mr. AIKEN. Mr. President, if the Senator will yield to me at this point, apropos of the statement that the wheat grower is willing to accept a drop in the parity price in order to get on a stable basis, I should like to read a telegram which I received today from Spokane, Wash. The telegram, which is addressed to me, reads as follows:

Washington-Idaho Wheat Growers League extremely interested in the early consideration and passage of Senate bill 2318, and urge your support to obtain final adoption of the measure.

WALTER R. JOHNSON,
President, Washington-Idaho
Wheat Growers League.

In other words, Mr. President, they know that the parity price for wheat will drop at least for the present. Yet, although they are producers of that one commodity, they are willing to accept a lower support level in order to have a permanent and sound program.

Mr. LUCAS. Mr. President, I should like to commend the vision of the farmers who are looking to the effects of this program over a long period of years, and are not looking just to the support they can receive next year on a particular product.

When we consider the support a particular product will receive for only 1 year, we are not viewing the agricultural situation with sufficient vision. The farmers are willing to accept a parity price for wheat and corn and other commodities under this formula that will cause them some losses, but they are looking at this matter realistically, and not just in terms of the moment. Some Senators and some farmers seem to wish to receive a little profit for another year under a straight 90 percent support price. I emphatically assert that this approach is totally unrealistic, and it will inure to the detriment of the American farmer over a long period of time.

Mr. THYE. Mr. President, if I may interrupt the Senator from Louisiana for a moment further, let me say that the Senator from Illinois is entirely correct in his statement regarding the importance of this bill because of its effect on a long-range program and because it does not simply ask for a continuation of the 90-percent support price, or the so-called war legislation, for just one more year. If we continue the war legislation, so to speak, for just one more year, it can well destroy any future opportunity for a sound farm program.

That is why I wish to join the Senator from Illinois on this matter and to say that he is entirely correct in his explanation of the importance of providing for this type of program, rather than a mere continuation of some special wartime legislation.

Mr. ELLENDER. Mr. President, in that connection, let me say that I understand the House has passed a bill extending the so-called Steagall amendment for 18 months. But if prices were to fall in the meantime, and if we did not pass this bill providing for a long-range program, my guess is that we would not be able to obtain—under conditions dif-

ferent from those which exist at this time—the enactment of a bill as favorable as this one to the farmers as a whole. In other words, let the price of wheat go down, let the price of corn and other commodities go down, and it would be more difficult for us to get so favorable a bill approved as the one we can obtain now, because of the fact that the prices for those commodities are fairly good at present.

We also know something about what happened to farm prices and incomes following World War I and again following 1929. On the average farm prices dropped something more than 50 percent within a 12-month period following the fall of 1920. Again, following 1929 farm prices went into the long, disastrous, downward slide which carried into 1933. Farmers need protection against such disasters. S. 2318 supplies such protection. As has been pointed out on two or three occasions, under the plan in the pending bill farm prices cannot fall below their support levels, which in the case of the basic commodities would be between 60 and 90 percent of parity. In 1929, in a period of 12 months, the price of our basic commodities fell 50 percent.

Essentially S. 2318 provides for mandatory supports for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—through loans, purchases, payments, or other operations at not less than 75 percent of the parity prevailing at the beginning of the marketing year when supplies are normal. These mandatory price supports would gradually drop to 60 percent of parity as supplies rose to 130 percent or more of normal, or go to 90 percent of parity as supplies fell to 70 percent or less of a normal supply. In addition, the mandatory support schedule would be increased by 20 percent whenever producers of the commodity voted marketing quotas, except that in no case may the support level be increased above 90 percent of the parity level. But these are minimum floor prices and the Secretary of Agriculture is given discretionary authority to support prices anywhere up to 90 percent of the parity level.

The normal supply of wheat, rice, corn, cotton and peanuts is defined as the sum of the previous year's domestic consumption, plus estimated exports for the current year plus allowances of the following percentages for carry-over: 7 percent in the case of corn, 30 percent in the case of cotton, 10 percent in the case of rice, 15 percent in the case of wheat, and 15 percent in the case of peanuts. The Secretary may also make adjustments for current trends and unusual conditions. In the case of tobacco, a normal supply is defined as a normal year's domestic consumption and exports, plus 175 percent of a normal year's domestic consumption and 65 percent of a normal year's exports as an allowance for a normal carry-over. That of course is made necessary for the reason that tobacco is usually kept and stored for a period of 3 years.

The actual supply for a given year is compared to the normal supply for that year to obtain the supply percentage. For example, let us assume that this bill had been in effect in 1947. In that year

the normal supply of wheat might have been about 1,441,000,000 bushels. The actual supply was 1,449,000,000 bushels, so that the supply percentage was about 100 percent. This would call for a minimum support price level of 75 percent of parity. However, the Secretary could have supported prices at 90 percent of parity.

The normal supply of cotton in 1947 might have been about 16,283,000 bales. The actual supply was 17,007,000 bales, or about 104 percent of the normal supply. This supply percentage would indicate a minimum support price of 74 percent of the parity price according to the schedule set forth on page 79 of S. 2318. But let us suppose the supply of cotton might have been as much as 19,500,000 bales. Then the supply percentage would have been 120 and the mandatory minimum support level would have been 66 percent of parity or in case marketing quotas had been in effect 79 percent. That of course is 20 percent of the 66 added. In either case, however, the Secretary might have gone as high as 90 percent of parity under the discretionary authority provided.

Sections 303 through 306 of the bill specifically define the conditions under which marketing quotas may be voted for corn, wheat, cotton, and rice. In the case of the grains—corn, wheat, and rice—the Secretary shall proclaim and the farmers shall vote on marketing quotas in any year when the total supply exceeds the normal supply for such marketing year by more than 20 percent, or whenever the average farm price for 3 successive months in the marketing year does not exceed 66 percent of parity, provided the total supply is not less than the normal supply. In the case of cotton, marketing quotas shall be proclaimed and voted upon whenever the total supply exceeds the normal supply by more than 8 percent, or whenever the average farm price for cotton for 3 successive months does not exceed 66 percent of parity, provided the total supply is not less than the normal supply for such marketing year. In the case of tobacco and peanuts, the provisions relating to marketing quotas remain the same as in the Agricultural Adjustment Act of 1938 except that section 309, which was reported as an amendment to S. 2318, provides that the Secretary shall proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding year.

Under the Agricultural Adjustment Act of 1938 no price supports are available in cases where producers vote down or disapprove marketing quotas. Senate bill 2318, provides, however, that the level of price support for any basic agricultural commodity normally marketed in any marketing year with respect to which marketing quotas have been disapproved by producers shall be 50 percent of the parity price of such commodity as of the beginning of the marketing year.

I understand that there is a little disagreement in the Department of Agriculture on that phase of the bill. As I

have just pointed out, it provides that in the event marketing quotas are disapproved by the farmers, support prices will be accorded at 50 percent of parity price. That is something new.

With respect to nonbasic commodities generally, the Secretary of Agriculture, through the Commodity Credit Corporation or other means available to him, is authorized to support prices of agricultural commodities to farmers through loans, purchases, payments, and other operations at not more than 90 percent of the parity price for the commodity as of the beginning of the marketing year or season.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. THYE. With reference to perishable commodities, one reason why perishable commodities would have to be handled in an entirely different manner than would nonperishable commodities—

Mr. ELLENDER. I am coming to that.

Mr. THYE. I wanted to be certain that that point was explained and clarified, so that no one would in any way feel he was being discriminated against by unreasonably high support prices.

Mr. ELLENDER. As I shall indicate in a moment, there are no loans made by the Commodity Credit Corporation on perishables, but a commodity may be purchased or dealt in with funds under section 32.

Mr. THYE. Perishable commodities are geographically located in very small areas, and there is no possible way that the producer could be protected except in the way which has been provided.

Mr. ELLENDER. I think my statement will explain it fully.

With respect to these nonbasic commodities, however, there are certain standards or conditions which the Secretary should consider. These are: The supply of the commodity in relation to the demand therefor, the price levels at which other commodities are being supported, the availability of funds, the perishability of the commodity, its importance to agriculture and the national economy, the ability to dispose of stocks acquired through a price-support operation, and the ability and willingness of producers to keep supplies in line with demand.

All these provisions, of course, are specifically written in the bill, as the Senator knows.

We also specifically provide that compliance by the producer with acreage allotments, production goals, and marketing practices prescribed by the Secretary may be required as a condition of eligibility for price support.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. I should like to point out at this time that there is an amendment to be offered by the Senator from Florida [Mr. PEPPER], and the Senator from California [Mr. DOWNEY] for the purpose of offsetting temporary losses in export markets. There were instances last year of a foreign nation suddenly canceling its orders in this country, thereby sharply reducing the market price, had there

been no support price. I think that is a very worthy suggestion on the part of the Senator from Florida and the Senator from California, and I think we will accept it. I know of no reason why it could not be accepted.

Mr. ELLENDER. Special provision is made for wool. The price of wool shall be supported at such level, not in excess of 90 percent nor less than 60 percent of its parity price, as the Secretary may consider necessary in order to encourage an annual production of approximately 360,000,000 pounds. Senate bill 2318 also amends section 22 of the Agricultural Adjustment Act of 1933 in such a way as to allow the President to take corrective action upon finding that imports are rendering or tending to render ineffective any price-support program, provided, of course, that such action shall not be in contravention of any treaty or international agreement.

Funds of the Commodity Credit Corporation itself will not be used to support prices for perishable farm products, except as such products may be processed into storable form.

That is what I was referring to a moment ago, I will say to the Senator from Minnesota.

However, the measure does recognize that funds must be available to assist producers of perishable commodities and does specifically provide that section 32 funds will remain available to the Secretary of Agriculture until expended in order to meet any future emergency, provided the total at the end of any fiscal year shall not exceed \$300,000,000.

Senate bill 2318 also specifies the conditions under which the Commodity Credit Corporation shall sell or not sell the farm commodities owned or controlled by it. Specifically, it is provided that commodities shall not be sold at less than, first, a price reasonably calculated to reimburse it for costs incurred; second, a price halfway between the support price, if any, and the parity price of such commodity; or third, a price equivalent to 90 percent of the parity price of such commodity, whichever is lowest. Exceptions to the foregoing restrictions are allowed in the case of sales for new or byproduct uses; sales of peanuts for the extraction of oil; sales for seed or feed, if such sales will not substantially impair any price-support program; sales of commodities which have substantially deteriorated in quality, or of nonbasic perishable commodities where there is danger of loss or waste through spoilage; sales for the purposes of establishing claims of certain kinds; sales for export; sales of wool; and sales for other than primary uses. A number of other technical amendments are also included to tie in with the Agricultural Adjustment Act of 1938.

Senate bill 2318 provides for certain revisions in the calculation of parity prices for agricultural commodities. Essentially this revised parity provides for maintaining the same over-all relationship between prices for the things the farmer buys and the prices for things he sells as was provided in the original

parity formula—that is, farm prices generally should yield the same purchasing power as prevailed during the period 1909–14. However, several of the farm organizations as well as the Secretary of Agriculture have recommended that the parity prices for the several individual commodities should be revised. This is done by providing that the parity prices of the several commodities shall be so calculated as to bear the same relation to each other as existed in the 10 calendar years immediately preceding the calculation.

Parity prices, according to the present definition are prices for individual commodities which have changed by the same percentage since a specified base period as the parity index. For many important commodities such as wheat, cotton, hogs, beef, cattle, and so forth, the base period is 1910–14, and the parity index is the index of prices paid by farmers for commodities used in farm production and farm family living plus an allowance of interest on farm mortgages and taxes on farm real estate.

Senate bill 2318 retains the 1910–14 period as a basis for the relationship between the general level of prices or rates paid by farmers and the general level of prices received by farmers. However, the price relationships among the prices of agricultural products themselves are determined by the actual prices for these commodities that prevailed in the last 10 years.

Some of the Senators may be interested to know how the general level of prices received by farmers and of prices paid by farmers are determined by the Department of Agriculture. The Department selects a representative period and determines the average quantities of the various products sold during that period. They also collect information on prices received by farmers for a selected list of commodities each month. These different prices for each of the months are multiplied by the average quantities, the same average quantities. The resulting total for each month is expressed as a percentage of the value of the same average quantities at 1910–14 average prices. Since the quantities remain constant the change in the value is a measure of the change in prices. For example, in May 1948 the index of prices received by farmers was 289. In other words, prices were 289 percent of what they were in the base period.

The parity index is obtained in a similar fashion. Prices paid by farmers for a standard list of commodities purchased by farmers for use in production and family living are collected. These prices are averaged together with interest rates and taxes to obtain the index of prices paid by farmers, including interest and taxes. In May 1948, this index indicated that prices paid by farmers, including interest and taxes, were 250 percent of their level in the base period 1910–14.

The starting point for calculating the revised parity price for wheat according to this bill is the average price received by farmers for wheat during the period January 1938 to December 1947.

This price was \$1.22 per bushel. The general level of prices received by farmers during that period was 168. The index of prices paid, including interest and taxes, as of March 15, 1948, was 247. This index determines the level of parity prices for that month. Prices during the preceding 10 years need to be increased by the ratio of 247 to 168 to indicate the March 15, 1948, parity price. Or, stated another way, the average price of wheat for the last 10 years can be divided by 168, the index of prices received by farmers for the same period, and multiplied by 247, the parity index reported for March 15.

The revised parity prices provided under S. 2318 would be considerably different than now calculated and published by the Department of Agriculture. However, in order to protect producers against abrupt or sharp changes due to the revision, S. 2318 provides for a transitional parity price where needed. That is, no parity price shall be lowered in any 1 year by more than 5 percent of the parity price as calculated prior to the effective date of S. 2318. It is further provided that the Secretary may, and upon the request of a substantial number of producers shall, hold public hearings with respect to parity prices of particular commodities to consider whether revisions in methods of calculating the particular parity are needed. If so, the Secretary is given authority to put into effect any revision so found to be required.

Parity prices are also used in connection with marketing agreements and in order to assure that the shift to the new revised method of calculating parity causes no unnecessary administrative difficulties, Section 403 provides the necessary amendments to the Agricultural Marketing Agreement Act of 1937.

The effective date of S. 2318, the Agricultural Adjustment Act of 1948, is set as January 1, 1949, except for section 402 which shall take effect upon enactment. Section 402 is the section giving the President power to protect any support program from imports which may render ineffective, or materially interfere with, such a program.

In conclusion, let me say that S. 2318 is not a bill to extend price supports for another 6 or 12 or 18 months. S. 2318 is not an endeavor to dodge the farm price issue. It meets it direct. S. 2318 is permanent legislation. It has the full support not only of those of us who have worked upon it but also, I believe, of the American farmers and their representatives. It offers American farmers a fair basis against which to plan for the future and, in so doing, it also goes far toward assuring the American people generally of abundant food supplies over the years ahead.

Mr. President, I ask unanimous consent to have printed as a part of my remarks a statement prepared by the Senate Committee on Agriculture and Forestry respecting parity prices. It further explains the subject.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE ON AGRICULTURE AND FORESTRY—A COMPARISON OF PARITY PRICES AS DETERMINED IN S. 2318 AND UNDER THE PRESENT FORMULA

The new parity price formula in S. 2318 accepts the prices of individual farm commodities for the 10 immediately preceding years as reflecting the current relative supply of and demand for different farm products better than the price relationships between different farm commodities in 1910-14. However, the period 1910-14 is retained as the base period in showing the over-all relationship between the prices of things farmers buy and the prices of farm products. The period of 1910-14 has advantages as a base period for farm products as a group because no large segment of our economy was badly out of adjustment with other segments of our economy at that time due to the absence of war, depression, or seriously disturbed international trade conditions. On the other hand changes in population, consumption of products, trade, total production, and other factors have had a marked effect in changing the relative demand for different farm products now as compared to the period 1910-14.

Below are given the new (S. 2318) and old parity price computations for the six basic farm commodities of corn, wheat, cotton, peanuts, rice, and tobacco as of May 15, 1948, plus a few examples of nonbasic commodities. In making these calculations the following data were used to tie the new parity formula to the 1910-14 base period: the 10-year average of prices received by farmers for their products (1938-47) was 168 percent of the 1910-14 base period, and the May 15, 1948, index of prices farmers paid for products purchased, including interest and taxes, was 250 percent of the 1910-14 base period. The new parity-price calculation uses the preceding 10-year average price (1938-47) of the individual commodity to determine the current relationship of the commodity to all farm products sold. The old parity-price calculation uses the 1910-14 individual commodity price (unless some other base period has been accepted as in the case of tobacco) to show the price relationships between farm products.

COMPUTATION OF PARITY PRICES

Using corn as an example, the calculation of parity under the new parity formula is as follows: The 10-year average price of corn (1938-47) was \$0.953. Average prices of all farm products during the last 10 years is 168 percent of the average prices of all farm products during the 1910-14 base period. Thus, \$0.953 is divided by 1.68 to show the parity price of corn in 1910-14, which would amount to \$0.567. Since the prices of things farmers buy are now 250 percent or 2.50 times as high as in 1910-14, the current parity price of corn would be 2.50 times \$0.567 or \$1.42.

In calculating the parity price for corn under the old formula, the actual price of corn from 1910-14 is used which was \$0.642. Since the prices of things the farmer buys are 2.50 times as high as in 1910-14, the 1910-14 price of corn, \$0.642, is multiplied by 2.50 which gives \$1.60 as the old parity price of corn.

PARITY PRICES OF BASIC COMMODITIES

Corn (per bushel): New, \$0.953 (10-year average price) divided by 1.68 equals \$0.567 times 2.50 equals \$1.42; old, \$0.642 (present base price) times 2.50 equals \$1.60.

Wheat (per bushel): New, \$1.22 (10-year average price) divided by 1.68 equals \$0.726 times 2.50 equals \$1.82; old, \$0.884 (present base price) times 2.50 equals \$2.21.

Cotton (per pound): New, \$0.1808 (10-year average price) divided by 1.68 equals \$0.1076 times 2.50 equals \$0.269; old, \$0.124 (present base price) times 2.50 equals \$0.3100.

Peanuts (per pound): New, \$0.062 (10-year average price) divided by 1.68 equals \$0.37 times 2.50 equals \$0.91; old, \$0.048 (present base price) times 2.50 equals \$0.120.

Rice (per bushel): New, \$1.44 (10-year average price) divided by 1.68 equals \$0.857 times 2.50 equals \$2.12; old, \$0.813 (present base price) times 2.50 equals \$2.03.

Tobacco (per pound): Flue-cured, new, \$0.336 (10-year average price)¹ divided by 1.68 equals \$0.200 times 2.50 equals \$0.500; old, \$0.229 (present base price)² times 2.12³ equals \$0.485; Burley, new \$0.340 (10-year average price)¹ divided by 1.68 equals \$0.202 times 2.50 equals \$0.505; old, \$0.222 (present price)² times 2.12³ equals \$0.471.

PARITY PRICES OF SELECTED NONBASIC COMMODITIES

Cottonseed (per ton): New, \$44.60 (10-year average price) divided by 1.68 equals \$26.50 times 2.50 equals \$66.20; old, \$22.28 (present base price) times 2.50 equals \$56.40.

Hogs (per hundredweight): New, \$12.50 (10-year average price) divided by 1.68 equals \$7.44 times 2.50 equals \$18.60; old, \$7.28 (present base price) times 2.50 equals \$18.20.

Beef cattle (per hundredweight): New, \$10.90 (10-year average price) divided by 1.68 equals \$6.49 times 2.50 equals \$16.20; old, \$5.41 (present base price) times 2.50 equals \$13.60.

Milk (per hundredweight): New, \$2.81 (10-year average price) divided by 1.68 equals \$1.67 times 2.50 equals \$4.18; old, \$1.60 (present base price) times 2.50 equals \$4.00.⁴

It should be noted that while the parity prices of some products are higher and others lower under the new formula, the average parity price of all commodities will be the same under the old and new formulas. In the change from the old to the new parity formula, the parity price of livestock, livestock products and oil seeds are higher, while parity prices for grain crops are lower. It is because the relationships between prices of individual farm commodities have changed materially since 1910-14 that there is need of revising the parity formula to use current price relationships between individual farm commodities.

A provision in the bill (S. 2318), however, provides that where there is a difference between the two parity prices for a product exceeding 5 percent of the old parity price, that the adjustment to the new parity will not take place at the rate of more than 5 percent in 1 year. The main reason for the lower parity prices for the basic commodities under the new parity formula, except for rice and tobacco, is the low prices for the other products in the years 1938, 1939, and 1940. Insofar as the prices in 1948, 1949, and 1950 may be higher than in 1938, 1939, and 1940 for these products, their parity prices under the two formulas will come closer together in the next 3 years, and the new parity for a product may exceed the old if the 10-year average price of the product becomes relatively higher than those of other commodities. The formula provides for the annual adjustment of dropping the

¹ Ten marketing years beginning during calendar years 1938-47.

² Based on marketing seasons 1934-38.

³ May 15 index of prices paid August 1934-July 1939 equals 100.

⁴ Not adjusted for seasonal trends.

first and adding a new year's price to the 10-year average price of farm products.

It is desirable that the new parity prices for livestock and oil seeds be somewhat higher relative to grain prices because 85 percent of the corn crop and a large part of other grains are normally fed to livestock. This change in the relationship of parity prices for livestock and grains will encourage the feeding of grain which is the most desirable means of utilizing grain when supplies become burdensome.

Mr. YOUNG. Mr. President, I wish to commend the Senator from Louisiana for his very careful and accurate analysis of the bill, and, too, for his long and splendid work in behalf of the farmers of the United States.

Mr. ELLENDER. I thank the Senator from North Dakota. He is very kind.

Mr. AIKEN. Mr. President, at this time I call to the attention of the Senate certain amendments approved by the Committee on Agriculture and Forestry. First there is a series of amendments which were reported and printed on May 25 last, and which I understand automatically become a part of the bill. Then there are other amendments which were approved by the committee yesterday morning, and which were offered last night, but unfortunately they were not printed as committee amendments.

The PRESIDING OFFICER (Mr. TYDINGS in the chair). Without objection, the committee amendment will be modified by the amendments now offered by the Senator from Vermont.

Mr. AIKEN. If there is no objection, that certainly is the quickest way to take care of the amendments.

There is one other amendment which was not taken up by the committee yesterday, and which I shall offer at this time. It is an amendment which would extend the life of the Commodity Credit Corporation for another year under the Delaware charter.

The PRESIDING OFFICER. Is this a committee amendment?

Mr. AIKEN. No. The committee did not have it prepared in time to act on it yesterday.

The PRESIDING OFFICER. The Senator is offering it in his own right?

Mr. AIKEN. Yes, although I am sure the entire committee agrees with the amendment. As I have said, there is some doubt whether the House will get around to acting on the Commodity Credit charter bill in time.

The PRESIDING OFFICER. If the Senator will send the amendment to the desk the clerk will state it.

The LEGISLATIVE CLERK. On page 56, it is proposed to strike out beginning with line 14 down to and including line 17, and insert in lieu thereof the following:

COMMODITY CREDIT CORPORATION CONTINUED AS AGENCY OF THE UNITED STATES

SEC. 404. The first sentence of subsection (a) of section 7 of the act approved January 31, 1935 (49 Stat. 4), as amended, is amended by striking out "June 30, 1948," and inserting in lieu thereof "June 30, 1949."

EFFECTIVE DATE

SEC. 405. This act shall take effect on January 1, 1949, except that sections 402 and 401 shall take effect upon the enactment of this act.

Mr. RUSSELL. Mr. President, what is the effect of sections 402 and 404? Is that part of the bill?

Mr. AIKEN. The amendment is to extend the life of the Commodity Credit Corporation for another year.

Mr. RUSSELL. I understand that part of it, but I did not understand the last line, which referred to sections 402 and 404.

Mr. AIKEN. I asked the draftsman to prepare a bill extending the life of the Commodity Credit Corporation for another year, as is, merely so that the country might be safeguarded in the event the House and Senate did not agree upon a permanent Commodity Credit Corporation charter.

Mr. RUSSELL. I am heartily in favor of the Senator's amendment extending the Commodity Credit Corporation.

Mr. AIKEN. This was prepared by the legislative draftsman, and I am sure that if it means anything else than what I have stated we shall be glad to have it corrected.

Mr. RUSSELL. I was merely curious. On reading the amendment I find it seems to relate to the entire bill taking effect January 1, the Commodity Credit Corporation part to take effect immediately. I think I understand it now.

Mr. AIKEN. I think it is all right. If there is any doubt, we will wait and offer it a little later. If there is no objection, it will save a little time to offer it now.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont to the committee amendment.

The amendment to the amendment was agreed to.

Mr. RUSSELL. Mr. President, may I inquire as to whether amendment lettered "A," which was reported on May 25, has been agreed to?

Mr. AIKEN. The amendments reported on May 25, being committee amendments, automatically became a part of the bill.

The PRESIDING OFFICER. The Chair would inform the Senator from Georgia that the amendment to which he addresses himself, as modified, has been agreed to.

Mr. RUSSELL. When was it agreed to?

The PRESIDING OFFICER. It was a modification of the committee amendment, and was made a part of the committee amendment, the Chair is advised.

Mr. AIKEN. As I understand, Mr. President, the committee has the right to modify its own amendment to the bill; the amendment was in the form of an amendment to the original bill.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

Mr. WILLIAMS. Mr. President, I send to the desk an amendment to the committee amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 81, line 3, after the

period, it is proposed to insert the following:

Any price-support operation undertaken with respect to either turkeys or chickens shall be applicable to all chickens, including broilers, appropriate adjustments being made as provided in subsection (e) of this section.

Mr. WILLIAMS. Mr. President, poultry is one of the nonbasic agricultural commodities which is supported under the Steagall amendment, the act of July 1, 1941, as amended.

But in subsequent directives issued under the authority of section 4 of that act, the Secretary of Agriculture, in authorizing support prices for turkeys and chickens, specifically excluded broilers by name. There is nothing mentioned in the law passed by Congress which would authorize any discrimination against any segment of the poultry industry, and insofar as I have been able to ascertain, this is the only case on record in which the Secretary of Agriculture has seen fit specifically to exclude by name any group of farmers from participating in the program as authorized under the law as passed in 1941.

This amendment does not say that the Secretary of Agriculture must support the price of broilers. It merely states that if and when an, price-support operations are undertaken with respect to either turkeys or chickens, it shall be applicable to all chickens including broilers with appropriate adjustments being made as provided in the act itself.

The amendment is being offered by my colleagues the senior Senator from Delaware [Mr. BUCK], the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senators from Maryland [Mr. TYDINGS and Mr. O'CONNOR], and myself, who represent the major percentage of broiler producers in this country. We have discussed its merits with the sponsor of the agriculture bill, the Senator from Vermont [Mr. AIKEN], who has agreed with us that there is no justification for a continuation of this discrimination, since it clearly was not the intent of Congress when it passed the law in July 1941, and I understand that he is willing to accept the amendment on behalf of the committee.

Mr. AIKEN. As I understand, the amendment does not require the Secretary to support the price of chickens or turkeys or broilers or any other fowl at any particular level, but simply requires that if poultry is supported broilers shall be included. I personally have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware to the committee amendment.

The amendment to the amendment was agreed to.

Mr. DOWNEY. Mr. President, a perfecting amendment would seem to be required on page 49, line 3. At present subdivision (14) reads:

To encourage producers, processors, distributors, and consumers to enter into marketing agreements.

Consumers are not contemplated as parties under the Agricultural Market-

ing Act of 1937. So I am offering an amendment to strike out the word "consumers" and insert after "processors" the word "and", so the language would be "processors, and distributors", omitting the word "consumers."

Mr. AIKEN. Mr. President, the Senator's point is well taken, but a similar amendment has just been approved.

Mr. DOWNEY. Was it offered as an amendment by the committee?

Mr. AIKEN. It was in certain clarifying amendments which I offered on behalf of the committee.

Mr. DOWNEY. I will then withdraw my amendment, of course. I am very happy to do so.

There are two amendments sponsored by the Senator from Florida and myself which I offer at this time and ask to have stated. I send the first one to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 49, after lines 13 and 14, it is proposed to insert the following:

(16) to assist in the retention of foreign outlets in order to (a) maintain long-run export demands, (d) prevent short-run de-export demands, (b) prevent short-run demoralization of domestic markets, and (c) maintain productive capacity sufficient to satisfy expected long-run domestic markets plus foreign demand for agricultural products.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. DOWNEY], for himself and the Senator from Florida [Mr. PEPPER] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. DOWNEY. Mr. President, I send to the desk another amendment which I offer on behalf of myself and the Senator from Florida [Mr. PEPPER] and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 77, line 19, of the committee amendment it is proposed to strike out "and (7)" and insert in lieu thereof the following: "(7) the need for offsetting temporarily losses of export markets, and (8)."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

Mr. AIKEN. Mr. President, with respect to the amendments I will say that both of them would only serve to strengthen the bill. I cannot conceive of anyone having any objection to either one.

Mr. IVES. Mr. President, I fully concur, and did so at the time the amendment was offered by the Senator from Delaware [Mr. WILLIAMS], with respect to turkeys and chickens. In the State of New York we have also a rather large duck industry, I do not want to say that in this case what is sauce for the goose is sauce for the gander, but it seems to me only fair, if turkeys and chickens are

to be included in the bill, for ducks and ducklings also to be included. I therefore offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 81, after the amendment of Mr. WILLIAMS, it is proposed to insert the following:

That if any support-price operation is undertaken with respect to either chickens or turkeys, the same parity price-support operation shall be undertaken with respect to ducks and ducklings.

Mr. MORSE. I ask the Senator from New York the question whether or not there would be any particular objection to including in the appropriate place in his amendment "and other poultry," because there is an "if" clause in his amendment, that "if any support price," and so forth. Why do we not do this all up at once and insert in the appropriate place in the amendment the words "and other poultry"?

Mr. IVES. That is very agreeable to the Senator from New York, and I ask that my amendment be appropriately modified in accordance with the suggestion made by the Senator from Oregon.

The amendment offered by Mr. IVES, as modified by Mr. MORSE, to the committee amendment, was reduced to writing, as follows:

Provided, That if any price support operation is undertaken with respect to either chickens or turkeys, the same parity price support operation shall be undertaken with respect to ducks and ducklings and other poultry.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from New York [Mr. IVES] to the committee amendment.

The amendment, as modified, to the committee amendment was agreed to.

Mr. MAGNUSON. Mr. President, I had submitted an amendment to the committee amendment which has been printed and lies on the table, and has been lying on the table for several days, but after consultation with Senators in charge of the bill and members of the committee who have devoted a great deal of work and time to the subject, I have somewhat varied the amendment. It now comes down to two amendments, and I submit them both for immediate consideration.

The PRESIDING OFFICER. The amendments will be stated.

The CHIEF CLERK. In the committee amendment on page 49, line 7, between the words "revenues" and "for," it is proposed to insert the words "and funds."

On page 2, line 20, before the period, it is proposed to insert a colon and the following proviso:

And provided further, That in any fiscal year, if at the end of the preceding fiscal year the sums appropriated under said section 32 and remaining unexpended do not exceed \$300,000,000, Commodity Credit Corporation may, as provided in section 302 (a) of this act, carry out any operation to support the price of any such perishable, non-basic agricultural commodity to the extent that the reserve for postwar price support of agriculture established pursuant to the First Supplemental Appropriation Recission

Act of 1946 (60 Stat. 8) and other funds appropriated for agricultural price support are sufficient to cover any losses which may be incurred in connection with such operation.

Mr. MAGNUSON. Mr. President, I have consulted with the Senator from Vermont [Mr. AIKEN] on his question. He is quite familiar with the change in the original printed amendment, and I hope he will see fit to accept this amendment.

Mr. AIKEN. Mr. President, the amendment as read referred to page 2, line 20.

Mr. MAGNUSON. That is a perfecting amendment, to change language in another section.

Mr. AIKEN. Is this the same amendment which has been printed, which the Senator from Washington submitted?

Mr. MAGNUSON. Yes.

Mr. AIKEN. It provides, does it not, that the Commodity Credit Corporation may use the funds which are already available to it for the support of prices of nonbasic commodities?

Mr. MAGNUSON. That is correct.

Mr. AIKEN. So far as I am personally concerned, I think the amendment is satisfactory.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MORSE. I simply wish the RECORD to show that I have checked into this question with members of the committee. I understand that there is no serious objections to the amendment. I join with the Senator from Washington in saying a word in its behalf at this time. The amendment is vital to the fruit industry from coast to coast and from north to south.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. MAGNUSON. Mr. President, I have another amendment which lies on the desk, the effect of which might involve some controversy. I appreciate the cooperation of the Senator from Vermont.

One section of the bill provides that should the President of the United States find that at some time or other certain commodities from foreign countries may be coming in and flooding the so-called American agricultural market, regardless of the commodity, he may ask the Tariff Commission to make an investigation. For example, in the State of the Senator from Oregon or in my States the situation might involve fruit from Canada, which might glut the market at a certain time. It would not necessarily be an over-all glutting of the market; but particularly in connection with perishable commodities, fruit from other countries might come in and thereby ruin the economy of the fruit industry of a certain section of the country.

The committee has devoted much time and effort in an attempt to solve this problem. It has done so in a very decent way. In effect, it has tried to solve the problem in a long-range agricultural pro-

gram without violating reciprocal trade agreements. That is a somewhat difficult maneuver. I think the committee has been very successful in its provision in the bill, which does just that.

However, these things happen so quickly that the Tariff Commission often does not act so speedily as we would like. I have before me a compilation of cases involving agricultural commodities which have been placed before the Tariff Commission for study. The compilation is too long to place in the RECORD. The Tariff Commission has been asked to determine whether or not the economy of certain agricultural products was being affected.

Reading through the compilation, I find that the shortest time that the Tariff Commission has required to act with respect to any one product has been from 9 to 10 months. Some of the cases were pending for a very much longer period. I had suggested to the committee that probably the Secretary of Agriculture might be substituted for the Tariff Commission, that he could act more quickly, and therefore we might at least have information. However, I appreciate the problem of trying to tread between giving authority to the President to act upon advice of either the Tariff Commission or the Secretary of Agriculture, and violating our international agreements with respect to reciprocal trade. I wanted the RECORD to show that I hope that under the provisions of the bill, when those representing an agricultural commodity feel that such a thing is happening the Tariff Commission will show a little more speed than it has in the past.

So, Mr. President, I shall withdraw the amendment. If the problem is not solved under the Tariff Commission, I am sure that the committee will be with me in substituting the Secretary of Agriculture.

The PRESIDING OFFICER. The Senator's amendment to the committee amendment is withdrawn.

Mr. BREWSTER. Mr. President, I call up the amendment to the committee amendment which I have at the desk, and ask to have it stated. I should state that I offer the amendment on behalf of myself, my colleague the Senator from Maine [Mr. WHITE], the Senator from Idaho [Mr. DWORSHAK], the Senator from Colorado [Mr. JOHNSON], and the Senator from California [Mr. DOWNEY].

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. On page 81, line 8, after the period, it is proposed to insert the following:

The price of any kind of Irish potatoes harvested after December 31, 1948, shall be supported at not less than 60 percent nor more than 90 percent of the parity price for Irish potatoes as of the beginning of its marketing season.

On page 81, line 10, after the word "commodity", insert "(other than Irish potatoes)."

On page 84, between lines 10 and 11, insert the following:

(c) Section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corpora-

tion, and for other purposes," approved July 1, 1941 (U. S. C., title 15, sec. 713a-8), is amended by inserting after the first sentence thereof the following: "Notwithstanding the expiration of the period specified in the preceding sentence, the price of Irish potatoes harvested prior to January 1, 1949, shall be supported as provided in this section until the close of June 30, 1949."

Mr. BREWSTER. Mr. President, this amendment contemplates that the 1940 crop of potatoes shall be supported at the existing parity, up to June 30, 1949, since in the Northern States much of the crop is harvested after January 1, and the only consequence of not having this provision would be that the entire crop, which would amount to at least 100,000,000 bushels, would be dumped on the Government on or before December 31, 1948, while the support price is still in effect. So I think there can be very little dispute about the wisdom of the extension.

The other provision is to take care of the potato crop thereafter at from 60 to 90 percent of parity. The potato producers of the country are quite content to accept the 60-percent provision, believing that it is not an incentive price, and that it will not result in overstimulating the production of potatoes, but will guarantee the producers against losses which might otherwise have a very disastrous effect.

I hope that the chairman of the committee may feel that he can accept this amendment.

Mr. AIKEN. Mr. President, ordinarily I should be reluctant to designate any of the nonbasic commodities or fix the level at which they should be supported. It was the expectation of the committee that white potatoes, which will keep during transportation anywhere, would be supported by the Department of Agriculture at 60 to 90 percent of parity, and we had so advised the Department.

It was also the expectation of the committee that that part of the 1948 crop not marketed before January 1, 1949, would be supported at 90 percent of parity, as promised by the Steagall amendment.

As I say, I am somewhat reluctant to open the gates. Nevertheless, if they were to be opened to any commodity, potatoes would undoubtedly be the first to come in.

It is only the remainder of the 1948 crop that would be supported at 90 percent of parity. After the 1948 crop, future crops would be supported at from 60 to 90 percent of parity. That is in accord with the belief of members of the committee.

There is some question as to whether or not 60 percent of parity is an incentive price for early potatoes. If it turns out to be, I shall be very glad to sponsor an amendment to the bill next year, or after it has had a trial, correcting any deficiency of that sort which may develop.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MORSE. I think the last statement the Senator from Vermont has made is very helpful to the problem I have in mind. As the Senator knows,

he and I have had several consultations in regard to handling of the potato problem under this bill.

I now understand that with the adoption of the Brewster amendment, those of us who have a large constituency of potato growers will be in a position to tell them that this bill will provide them with 60 to 90 percent of parity.

Mr. AIKEN. The Senator is correct. It is my opinion that the Senator could have so advised them without the adoption of the amendment; but certainly he can so advise them with the adoption of the amendment.

Mr. MORSE. The Senator from Vermont has told me that several times; but I was not able to persuade the potato growers in my State that that would be the result.

I appreciate the acceptance of the amendment by the Senator from Vermont.

Mr. AIKEN. I have noticed some considerable skepticism on the part of the potato growers toward the Department of Agriculture, and they were anxious to have this provision written into the law. Although it may not be just the thing to do, I do not know that it will do any harm, if the other 159 agricultural commodity producers do not object. I believe that potatoes are our sixth most valuable field crop.

Mr. MORSE. Mr. President, while I am on my feet, and while the Senator from Washington [Mr. MAGNUSON] is in the Chamber, I wonder whether the Senator from Vermont will permit me to ask a question concerning the Magnuson amendment, which has just been withdrawn by the Senator from Washington. We are moving at such a rapid rate that it is difficult to keep up with the amendments.

This morning I had another very strong representation made to me—in this instance, by Mr. Klahre, who represents one of the large fruit holdings in my State, at Hood River. He urged upon me the importance of the Magnuson amendment because of the great delays of which the Tariff Commission has been guilty in the past in handling the problems of perishable products. He was very insistent that I do what I could to help secure the adoption of the Magnuson amendment. I told him I would.

I wish to be sure that I understand the situation. I now understand that the Senator from Vermont and also the Senator from Washington are of the opinion that the bill in its present form is such that under it the producers of perishable farm products, such as fruit, will have a quick remedy for and relief in their problems if we permit the procedure to remain in the hands of the Tariff Commission, rather than to transfer it to the Secretary of Agriculture; or at least the Senator from Vermont and the Senator from Washington think that under this bill that is worth a trial.

Is that an accurate statement of the Senator's position?

Mr. AIKEN. Mr. President, the amendment—which was not offered by the Senator from Washington, but which was explained by him—has a great deal of logic behind it and has much merit.

If we were not so near the conclusion of this session of Congress, but were nearer the beginning of the session, I might be tempted to try to do more with the amendment, which the Senator from Washington did not offer.

However, we have already adopted to section 22, amendments which have met with the approval of the State Department; and already we are providing in the bill, I believe, means for supporting the fruit growers, both citrus and acidulous, in such a way that we hope the fruit growers of the Northwest will not again or often find themselves in the predicament in which they found themselves last fall.

I think several pieces of legislation which have been passed by the Congress will be very helpful in keeping the fruit growers of the Northwest, as well as the citrus fruit growers, off the rocks, and keep them from becoming so despondent that they destroy their orchards. However, we know that this piece of legislation will come too late to help in connection with the 1947 crop.

Mr. MORSE. I understand the situation in which we find ourselves, and I wish to cooperate in that regard.

Let me ask whether I am correct in my understanding that both the Senator from Vermont and the Senator from Washington feel that with the changes already provided in the bill, and with this debate on the floor of the Senate concerning the grievances which the fruit growers of the United States have filed against the Tariff Commission as to its past handling of cases, we now have in the bill procedure by which the Tariff Commission can, if it will, in case there should be a recurrence of the problem which has arisen in the past, give the fruit farmers an expeditious handling of their cases.

Mr. AIKEN. The Senator is correct in his assumption; and I assure him that if the Tariff Commission fails to give expeditious consideration to matters of this kind, I shall be glad to join the Senator from Oregon and the Senator from Washington in trying to secure greater speed in arriving at such conclusions.

Mr. MORSE. As the Senator from Washington said, Mr. Klahre told me this morning that from 9 to 10 months was the minimum that was taken by the Tariff Commission in handling their cases. Of course, the disposition of perishable fruit cannot wait for any such handling.

Mr. AIKEN. The Senator will recall that this body passed, either yesterday or the day before, a measure requiring the Tariff Commission to act within 120 days in certain cases.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MAGNUSON. As a matter of fact, if the Tariff Commission wished to do so, it could act faster than the Secretary of Agriculture could. The Tariff Commission has more facilities and it knows more about the problem; and if it wished to do so, it could act faster on these matters than the Secretary of Agriculture could.

I am sure the Senator from Vermont will join with all of us in taking action if the Tariff Commission does not improve in its handling of these matters. When we come back in January, we shall either see that the Tariff Commission has changed its handling of them, or else someone should clean out the Tariff Commission with respect to these matters.

The Secretary of Agriculture does not have the facilities needed to do the job, and that is why he naturally turns to the Tariff Commission in that connection, for that is the Tariff Commission's job. But the Tariff Commission does not seem to want to do it.

Mr. AIKEN. I am willing to accept the statement of the Senator from Washington at face value; I have no doubt that he is correct.

Mr. HATCH. Mr. President, will the Senator yield to me?

Mr. AIKEN. I yield.

Mr. HATCH. I have not been on the floor for the last few minutes, and I have not heard the amendment fully explained. Does the amendment provide a support price for all types of potatoes, or is it confined to stored potatoes?

Mr. BREWSTER. Mr. President, the word "storable" is not included. The amendment covers all Irish potatoes, whether early or late.

The Senator remembers that he thought the payment might be an incentive; but I have before me figures bearing on that matter, if they will be of interest to the Senator.

Mr. HATCH. Yes, they will be.

Mr. BREWSTER. I took the trouble to obtain these figures on the question of incentive payments:

On the general situation, the figures are very impressive, inasmuch as they show that during the period in which we have been paying 90 percent of parity, the total acreage has declined from 3,599,200 acres, which was the national acreage in 1934, to 3,239,000 acres, which was the acreage in 1943, when Steagall support became effective.

In 1947 the acreage is down to 2,111,900, or a decrease of 1,127,000 acres, or 35 percent in 5 years while we were supporting potatoes at 90 percent of parity.

But I believed that those figures were not adequate, and I wished to know about the early potatoes, which are the ones which have given me concern.

I have before me the figures for the acreage planted to Irish potatoes by seven early-potato States. They show an acreage in 1941, of 490,000; and in 1947, an acreage of 407,000, or a decline of almost 25 percent in the acreage during the period when we were supporting at 90 percent of parity.

Therefore, it seems to me to be clear that a 60 percent of parity provision certainly can not be considered as likely to prove to be an incentive.

Mr. HATCH. Of course, the Senator from Maine is familiar with the conditions existing and the wide publicity which was given to the great piles of potatoes that could not be stored or shipped, and had to be destroyed.

Mr. BREWSTER. Yes.

Mr. HATCH. It was very unfortunate publicity for the entire farm program,

for the growers and everybody else. What I am interested in is, under the provisions of the bill, will a similar situation be created?

Mr. BREWSTER. Certainly not, under a 60-percent parity provision. That is the proposal of the potato growers themselves, who recognize exactly what the Senator from New Mexico points out, and who have no desire to have anything that would be characterized as an incentive payment. They feel confident this would mean that the production of potatoes would be in the hands of the more efficient producers.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. HATCH. I yield.

Mr. THYE. The Senator from New Mexico mentioned the piles of potatoes which were deliberately permitted to deteriorate. In order that there may be no misunderstanding so far as the consumer is concerned, that took place really in the year 1946, and it was the 1946 crop that created such a problem. It was not that the potato producer has planted a greater number of acres, but in general, throughout the Nation, there was about a 25-percent increase in total yield per acre for that particular year. The total increase throughout the Nation brought about a large surplus, and they were not prepared to cope with it. There was some deterioration and some loss. But last year, for instance, the crop year of 1947, whatever potatoes were in surplus, in areas where they were required to be bought to support the price, large quantities of those potatoes were processed so that they could be properly stored either as potato alcohol or as dehydrated potatoes. So, in general, it was only in the year 1946 that we actually had an embarrassing problem insofar as the support-price program was concerned.

Mr. HATCH. It was an embarrassment so far as the support-price program was concerned.

Mr. BREWSTER. Mr. President, who has the floor?

Mr. AIKEN. I had yielded the floor to the Senator from New Mexico. I think one of the most unfortunate incidents which has happened to our Government in recent years was the piling up of potatoes in the State of Alabama 2 years ago. They were photographed, and the photographs were allowed to be sent all over the world, showing how wasteful we were.

Mr. HATCH. If the Senator will yield, I was about to mention the fact that I saw pictures of those potatoes in foreign papers, scattered about as propaganda against our country.

Mr. AIKEN. As a matter of fact, the total cost of supporting potatoes in Alabama for the year 1947 crop was \$1,800 for No. 1 potatoes, \$82,300 for second-grade potatoes, or only \$84,000 in all. It is one of the smaller States, and the matter was very widely publicized.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BREWSTER. I know everyone interested in potatoes felt most keenly, and I know all our growers were distressed beyond compare at the wastage of that food. It grew, however, as the Senator

from Minnesota has pointed out, from the use of new discoveries incident to the war in the eradication of potato pests. The use of DDT and other insecticides accounted in some substantial manner for the extraordinary production in that year.

I should like to ask unanimous consent to insert at this point in the RECORD the two tables which I have prepared covering the reduction in potato acreage in recent years.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Acreage planted to Irish potatoes in seven early-potato States
[1,000 acres]

	1941	1942	1943	1944	1945	1946	1947
California.....	39	35	49	64	73	81	62
Oklahoma.....	27	32	44	27	20	21	15
North Carolina.....	84	92	110	86	72	83	72
Florida.....	30.6	28	32.6	33.9	35.4	40.8	29.9
Alabama.....	54	52	51	57	47	46	37
Texas.....	58	50	67	56	50	54	43
Louisiana.....	43	42	57	61	43	42	32
Total.....	490	498	617	552	484	516	407

In answer to statements that 60 to 90 percent of parity support for Irish potatoes would be an incentive to increase acreage:

In 1934, in depression, the national acreage was 3,599,200. Steagall support was effective in 1943 and the national acreage was 3,239,000.

	<i>Acres</i>
In 1944.....	2,785,600
In 1945.....	2,700,200
In 1946.....	2,598,500
In 1947.....	2,111,900

This indicates a decrease every year in acreage, totaling 1,127,100 acres, or 35 percent in 5 years, during the period when potatoes were supported at 90 percent of parity.

Mr. HATCH. I understand both the Senator from Maine and the Senator from Vermont, as well as the Senator from Minnesota, are convinced that the 60 percent will not prove to be an incentive which would create conditions such as existed before.

Mr. AIKEN. If I may make a statement, I had the impression that 60 percent would prove to be an incentive price for the early potato regions of the South; it may still be so. However, upon examination of the costs of supporting the potato price for the 1947 crop, I find that three-fourths of the cost was incurred in the States of Maine, New York, and New Jersey. I was rather surprised to find that, because I thought more of the expense was incurred in the South. Virginia was in fourth place. North Carolina came in for a substantial amount. I do not think the Department should be expected to support absolutely unmerchantable potatoes which perhaps would not keep overnight, but if they are potatoes which could reasonably be shipped, but could not be because of the lack of a market or the lack of transportation, which I understand was the case in the famous Alabama potato pile, then it appears to me there might be support. However, if 60 percent proves to be an unreasonable price, I would be willing to agree to try to change it.

Mr. HATCH. Mr. President, I shall not delay a vote on the amendment. However, I would say some Senators have

had to leave, and I have been asked to suggest the absence of a quorum after the amendment has been voted on.

Mr. AIKEN. Please do not suggest the absence of a quorum until after the amendment is voted on.

Mr. HATCH. It was my intention to suggest the absence of a quorum after that.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Maine, for himself and other Senators, to the committee amendment.

The amendment to the amendment was agreed to.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	O'Connor
Baldwin	Hayden	O'Daniel
Ball	Hickenlooper	O'Mahoney
Barkley	Hill	Pepper
Brewster	Hoey	Reed
Bricker	Holland	Revercomb
Bridges	Ives	Robertson, Va.
Brooks	Jenner	Robertson, Wyo.
Buck	Johnson, Colo.	Russell
Butler	Johnston, S. C.	Saltonstall
Byrd	Kem	Smith
Cain	Kilgore	Sparkman
Capehart	Knowland	Stennis
Capper	Langer	Stewart
Chavez	Lodge	Taft
Connally	Lucas	Taylor
Cooper	McCarthy	Thomas, Okla.
Cordon	McClellan	Thye
Donnell	McFarland	Tobey
Downey	McGrath	Tydings
Dworshak	McKellar	Umstead
Eastland	McMahon	Vandenberg
Ecton	Magnuson	Watkins
Ellender	Malone	Wherry
Feazel	Martin	White
Ferguson	Maybank	Wiley
Flanders	Millikin	Williams
Fulbright	Moore	Wilson
Green	Morse	Young
Gurney	Murray	
Hatch	Myers	

The PRESIDING OFFICER. Ninety-one Senators having answered to their names, a quorum is present.

Mr. SPARKMAN obtained the floor.

Mr. TYDINGS. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield to the Senator from Maryland.

Mr. TYDINGS. I send to the desk on behalf of the junior Senator from Maryland [Mr. O'Connor] and myself, an amendment which I ask to have printed and to lie on the table for the present.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Mr. SPARKMAN. Mr. President, there is on the desk a series of amendments which I wish to offer to the pending bill. I ask that amendment lettered "L" be stated at this time.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. On page 74, line 15, it is proposed to amend the committee amendment by striking out the words "either" and "or."

On page 74, line 16, to strike out the word "without."

Mr. SPARKMAN. Mr. President, the purpose of this amendment is to bring the bill somewhat in line with the present requirement, and I am hopeful that the

chairman of the committee will accept the amendment.

I may say that amendment lettered "N", which I also offer, is an alternative amendment to this. If this amendment shall be accepted, then it is not my purpose to offer amendment lettered "N." If this amendment shall not be accepted, then I shall offer amendment "N" and insist upon it.

Under the regulations which are in effect at the present time, cotton, both within and without the United States, is counted in computing the amount of the carry-over, the amount on hand at any one particular time. The effect of the amendment would be to exclude from the calculation cotton outside the United States, and if that is done, then a 30-percent allowance for carry-over will just about bring it in line. If that is not done, then the 40-percent allowance is necessary to bring it in line.

As a matter of fact, the figure that was placed in the bill by the committee is not realistic. It sets the amount of the cotton carry-over, according to the estimation I have before me, at entirely too low a figure.

The purpose of these two amendments is to bring that figure somewhat in line with conditions as they actually exist.

Mr. President, that is about all I care to say about the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Alabama to the amendment of the committee.

Mr. AIKEN obtained the floor.

Mr. FERGUSON. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. FERGUSON. I find in the report, on page 6, the language "In the event of national need the Secretary of Agriculture may raise the support price of a commodity above 90 percent of parity." Can the Senator advise me as to the definition of "national need"?

Mr. AIKEN. I shall do the best I can for the Senator of Michigan. That might almost have been written "national emergency," yet national emergency was not exactly what we meant.

It is provided that in the event we as a Nation desperately need certain farm commodities the Secretary may break through the 90 percent ceiling and establish a higher support level in order to get production adequate to meet the needs of the Nation.

We have only one example of that at the present time, and that is in the case of flax. As most all Senators know, the supply of flaxseed and linseed oil has been cut off from the United States. The world supply is very short, and what we can get is totally inadequate. It was necessary for the Secretary to offer a price support floor of approximately 150 percent of parity to get enough flax planted in order to meet the needs of the United States. It is not expected that the Secretary would exercise the power granted by this provision except in cases which virtually amounted to an emergency.

Mr. FERGUSON. One difficulty we have encountered in the past 15 or 18 years has been that we have lived prac-

tically in a state of emergency, and I am wondering, if we leave this provision as wide open as it now is, whether it would be either wise or desirable. I am generally in favor of the bill, but I have several questions like this one upon which I should like to get some information. Particularly I should like to have it in the Record for the purposes of construction.

Mr. AIKEN. I am glad to reply to the Senator for the record. The committee considered that situation very seriously because we, too, were reluctant to grant any unnecessary power, yet, with the example which we had before us, we did not see any other course to take. We felt that an emergency might arise, or almost an emergency, anyway, when Congress might not be in session. Furthermore, it seems rather cumbersome to attempt to enact special legislation for each such commodity as flax.

I feel that any Secretary of Agriculture would be very reluctant to abuse the power, and it certainly is not the intent of the committee that he should exercise such power in any event short of a national emergency, or what was almost an emergency, but an acute shortage of linseed oil is probably a real emergency.

Mr. FERGUSON. Will the Senator yield for another question?

Mr. AIKEN. I yield.

Mr. FERGUSON. The emergency provision does not apply wholly to the six farm crops known as basic commodities.

Mr. AIKEN. That is true. Flax itself is not a basic commodity.

Mr. FERGUSON. I understand. Would it be possible to insert some kind of definition, for example, that the supply would have to go below a certain amount before the Secretary could go over the 90 percent?

Mr. AIKEN. No. I think he might have to encourage production in anticipation of a shortage. With the growing shortage in wool throughout the world, it has occurred to me that we might eventually have to make some unusual provision for the production of wool. Of course, that would not be an overnight matter because it is not possible to raise a sheep overnight.

Mr. FERGUSON. My difficulty is that it almost appears to me, as the bill is written, that there really is not a ceiling of 90 percent; it lies solely in the discretion of the Secretary of Agriculture; and while we use the 90-percent provision in relation to the six basic commodities, we use the floor there, but there is a ceiling in regard to the other commodities and no floor. I am wondering about peanuts, and why there is no provision as to some of the northern crops, why there is no provision for navy beans, for instance, which are grown in Michigan.

Mr. AIKEN. If peanuts had not already been in the list of basic commodities, we probably would not have put them in. To qualify as a basic commodity, the commodity must be produced in exportable quantities, and have long-keeping characteristics. Peanuts are well down on the list of field crops; I think they are eighteenth in value of the field crops which are raised in this country.

A question entered the minds of the committee as to whether we should des-

ignite certain crops which should be supported at from 60 to 90 percent of parity, as the basic commodities are to be supported under the requirements of the bill. Then we realized that there were 151 farm commodities which were not basic. We did not know where to draw the line. We expect that important commodities—and I include field peas, beans, potatoes, soybeans, barley, and oats—will be supported at the same rate as the basic commodities, which is 60 to 90 percent of parity. But there are other nonbasic commodities, such as summer squash, which we would not want to support even at 10 percent of parity. Then there are peppers and tomatoes. Producers of various commodities have come to me suggesting that the commodity they produce should be supported. There were mohair producers from Texas, honey producers from Iowa, Minnesota, and other States, and producers of hops. We felt we had to leave such products to the discretion of the Secretary, but it is the belief of the committee that commodities which correspond closely to the Steagall commodities should be supported at a rate of from 60 to 90 percent of parity.

Mr. EASTLAND. Mr. President, will the Senator from Michigan permit a vote on the pending amendment, and then resume his discussion with the Senator from Vermont?

Mr. FERGUSON. Yes. I have no objection to a vote being taken on the pending amendment. Will the Chair state what amendment is pending?

The PRESIDING OFFICER (Mr. FLANDERS in the chair). The amendment before the Senate is that submitted by the Senator from Alabama [Mr. SPARKMAN], which will be stated for the information of the Senate.

The CHIEF CLERK. On page 74, line 15, it is proposed to amend the committee amendment by striking out the words "either" and "or"; and on page 74, line 16, it is proposed to strike out the word "without."

Mr. AIKEN. Mr. President, in arriving at a formula for determining what the normal supply of any commodity should be, the committee encountered a good many problems. When we came to the question of cotton we had to consider whether we would include the cotton which is produced in America but which is stored overseas. We finally decided to do so. The amendment would exclude the cotton which is stored overseas each year from the determination of normal supply. The net effect of the exclusion would be to raise the support level of cotton possibly 4 or 5 percent, but it would also make it more difficult, in my opinion, for cotton growers to vote quotas than it would be if the amount stored overseas were included in the total supply. About 1,700,000 bales a year are stored overseas. They would be included in the estimated amount of exports which also are computed in the definition of normal supply. I hope I am getting this correct, Mr. President. We have had a pretty strenuous 2 days' siege here, and I reserve the right to correct my explanation if it is not correct.

Let me go a little further and say in regard to the other amendment, amend-

ment lettered "N" of the Senator from Alabama [Mr. SPARKMAN] that whereas the committee first determined that 23 percent would be a normal carry-over for cotton in this country, we have already changed that to 30 percent. We would not want to accept the 40 percent which is proposed by the amendment. Personally I would not object to accepting the amendment lettered "L." I would object to the other two amendments which have been printed.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. SPARKMAN. I call the Senator's attention to the fact that I said that if my amendment "L" is accepted I would not urge acceptance of my amendment "N." They are alternative amendments.

Mr. AIKEN. Under those conditions I can accept the amendment for myself, although I would have no authority to accept it on behalf of the committee, because the committee has not acted on it. I will vote for it if it is put to a question.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Alabama lettered "L" to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. SPARKMAN. Mr. President, I do not insist on my amendment lettered "N." But at the same time, I should like to have my amendment lettered "M" stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 87, line 8, it is proposed to amend the committee amendment by striking out "70" and inserting "90."

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. Was the first amendment offered by the Senator from Alabama agreed to?

The PRESIDING OFFICER. The first amendment lettered "L," offered by the Senator from Alabama, was agreed to.

Mr. AIKEN. Mr. President, my I ask what amendment is offered now?

The PRESIDING OFFICER. The Senator from Alabama has offered his amendment "M"—"M" as in "Mary."

Mr. AIKEN. Mr. President, I would not be willing to accept the amendment lettered "M." The amendment would give preferential treatment which is unnecessary. I think the bill, with the amendment which has just been agreed to, gives very good support to the cotton grower, particularly in view of the fact that the revised parity formula would result in increasing the parity price of cottonseed about 20 percent.

Mr. SPARKMAN. Mr. President, I should like to say that the amendment really has to do with the question of voting marketing quotas.

The effect of this amendment is to provide that cotton producers may vote marketing quotas whenever supplies are "normal" or above and the average farm price of cotton for three successive

months does not exceed 90 percent of parity instead of 70 percent as provided by the bill and 66 percent as provided by the committee amendment. Bearing in mind that the proposed definition of "normal supply" for cotton, as modified by committee amendment, provides an allowance of 30 percent for carry-over, cotton producers should not be forced to wait until prices fall to 66 or 70 percent of parity or until they build up a tremendous surplus before voting quotas upon themselves. That is what the effect of the amendment would be.

Mr. AIKEN. I know the desire of the Senator from Alabama to help the poor cotton farmers, but it seems to me that there would be no injustice committed by not accepting this amendment, because I cannot conceive of the price dropping to 90 percent of parity unless the supply got up to that figure, which would permit them to vote quotas on a supply basis. I do not think there would be any injury done by rejecting the amendment. I think we have helped the cotton farmers by accepting the previous amendment.

The PRESIDING OFFICER. The question is on agreeing to amendment "M" offered by the Senator from Alabama to the committee amendment.

The amendment to the amendment was rejected.

Mr. COOPER. Mr. President, I offer an amendment—

Mr. WHERRY. I wonder if the Senator would withhold offering his amendment for a moment. May I inquire of the Senator from Vermont if this would not be a good time to recess until tomorrow? I do not want to interfere with the Senator from Kentucky, however.

Mr. COOPER. I shall be glad to have a recess taken now.

Mr. WHERRY. I suggest that the Senator offer his amendment, and have it printed, and that we then recess for today. I am satisfied we will make good headway if we recess now so we may go home and have a good night's sleep.

The PRESIDING OFFICER. For the information of the Senator from Nebraska, the Chair will state that the amendment of the Senator from Kentucky [Mr. COOPER] has already been printed and lies on the table.

Mr. BARKLEY. Mr. President, I suggest that my colleague offer the amendment as it is now proposed, and have it printed.

Mr. COOPER. Mr. President, for my colleague [Mr. BARKLEY] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. On page 80, between lines 22 and 23, in the committee amendment, it is proposed to insert the following:

(5) Notwithstanding the foregoing provisions of this section, the level of price support to cooperators for any crop of tobacco for which marketing quotas are in effect shall be 90 percent of its parity price as of the beginning of the marketing year.

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment offered by the junior Senator from Kentucky for himself and the senior Senator from Kentucky [Mr. BARKLEY] to the committee amendment.

Mr. THYE. Mr. President, I should like to make a suggestion. The proposal which the junior Senator from Kentucky makes is rather extensive in many respects. I suggest that the Senator from Kentucky make the explanation for the RECORD and thus convey the message to all Members of the Senate, so that tomorrow we may act upon the amendment more intelligently. I hope that I can fully concur with the junior Senator from Kentucky in the proposed amendment, but I know that many Senators will not understand it unless it is explained.

Mr. WHERRY. Mr. President, as I understand, the Senator from Minnesota suggests that the junior Senator from Kentucky make the explanation of his amendment now for the RECORD.

Mr. THYE. Yes.

Mr. WHERRY. May I inquire of the distinguished Senator from Kentucky how long he feels it would take him to make the explanation?

Mr. COOPER. Ten minutes.

Mr. BARKLEY. Mr. President, the senior Senator from Kentucky might want a hand in the explanation, too.

Mr. WHERRY. Mr. President, if both Senators from Kentucky and the Senator from Minnesota feel that we should have an explanation of the amendment in the RECORD tonight I shall be glad to withhold the invitation to recess until tomorrow until the explanation has been completed.

Mr. COOPER. Mr. President, it has been suggested to me that several Senators have left the Chamber, believing that the Senate was about to take a recess. So I shall wait until tomorrow to present my argument on the amendment.

Mr. RUSSELL. Mr. President, I send to the desk and ask to have printed and lie on the table an amendment in the nature of a substitute, which I shall propose for the pending measure when it shall have been completed.

The PRESIDING OFFICER. The amendment in the nature of a substitute submitted by the Senator from Georgia will be printed and lie on the table.

Mr. RUSSELL. Mr. President, this substitute is identical with the so-called Hope bill for the extension of the present agricultural program. That bill has already passed the House. It also includes an amendment continuing the soil-conservation law and the Commodity Credit Corporation.

FLOOD RELIEF IN THE NORTHWEST

Mr. CAIN. Mr. President, I ask unanimous consent, from the Committee on Banking and Currency, to report an original bill, and I submit a report (No. 1743) thereon. I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Without objection, the report will be received. The bill will be read for the information of the Senate.

The bill (S. 2877) to amend the Reconstruction Finance Corporation Act, as amended, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That section 4 (b) (2) of the Reconstruction Finance Corporation Act, as amended, be further amended by striking therefrom the following words and figures: "Section 4 (a) (1), (2), and (4)" and inserting in lieu thereof "sections 4 (a) (1) and (2)"; and that section 4 (c) thereof be amended by striking out "\$25,000,000" and inserting in lieu thereof "\$45,000,000."

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CAIN. Mr. President, on the 30th day of May of this year, Memorial Day, there was visited upon the Pacific Northwest the greatest catastrophe and tragedy in the history of that section. I believe that every Senator has been conscious of that tragedy, which has brought so much harm and suffering to those residing in the area which is commonly referred to—or since the flood has been referred to—as the Portland, Oreg.-Vancouver, Wash., area.

I have every right to take for granted what I know to be a fact, that there has been exceedingly great sympathy on the part of Senators for the people of the Northwest country. Almost every Senator has said, either to me, to my colleague, the senior Senator from Washington [Mr. MAGNUSON], or to the senior or junior Senator from Oregon [Mr. CORBON and Mr. MORSE] that he was hopeful that somehow an answer could be found to help in restoring normalcy to that stricken land. In connection with that subject I have the very happy privilege of introducing the bill which has just been read for the information of the Senate.

In a couple of sentences I should like to give my interpretation, which is concurred in by all Senators from the Northwest and the Pacific coast, as to what the bill actually proposes.

In the Reconstruction Finance Corporation Act there is provision for a disaster loan fund. The act provides that \$25,000,000 may be expended for disaster relief loans, with a 10-year period of repayment.

Included in the devastated land of the Columbia River area was a Federal city, entirely owned by the Federal Government, consisting of more than 5,000 units of housing, all of which have been totally destroyed and swept away. Therefore, if that city is to be rebuilt, either in its original location—which is not desirable—or at another location within the Columbia River area, it will be necessary to extend credits in excess of \$25,000,000.

This morning and this afternoon, officials representing the Reconstruction Finance Corporation, acting in concert and close cooperation with the Senators from Oregon and a subcommittee of three from the Committee on Banking and Currency, of which I was one member, came to an agreement that it would be proper and practicable to take the

disaster provision now within the limits of the Reconstruction Finance Corporation Act and extend its limit to 25 years, rather than 10, and increase the amount of loan money from \$25,000,000 to \$40,000,000. By that means we can offer an opportunity for financing the reconstruction of every home destroyed by the flood which so recently swept our Northwest country.

Mr. President, this suggestion does not ask for another single dollar of appropriations. It merely means that there will be a reallocation within the moneys presently at the disposal of the RFC, so that the RFC may use for disaster-relief purposes \$40,000,000 instead of \$25,000,000, and may make extended loans for 25 years rather than 10 years, which would permit of proper amortization and repayment of loans which have been requested for the sole purpose of rebuilding homes which were totally destroyed.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. CAPEHART. Will the Reconstruction Finance Corporation be permitted to make loans to those in Coatesville, Ind., and Danville, Ind., whose homes were completely destroyed by a tornado—as completely destroyed as were the homes in the Columbia River Valley?

Mr. CAIN. The bill makes no reference to the Pacific Northwest as a single area of the country. The bill provides for an amendment to the Reconstruction Finance Corporation Act which would make available disaster credits and/or loans to the people of Indiana were they in distress, or to the people of Kentucky, the people on the east coast, or the people on the west coast.

Mr. CAPEHART. The Senator is proposing to increase the amount which the Reconstruction Finance Corporation may loan from \$25,000,000 to \$40,000,000.

Mr. CAIN. Yes.

Mr. CAPEHART. What proportion of that will go to Washington, and what proportion will go to the two towns in Indiana which were completely destroyed?

Mr. CAIN. No one could say what proportion of the \$40,000,000 will go either to Indiana or Washington, or Oregon, or any other State, for the simple reason that the loans will go to those who legitimately request them, irrespective of the area from which the loan is requested.

Mr. CAPEHART. Would the Senator say that the people of Coatesville, Ind., whose homes were completely destroyed by a tornado would be justified in going to the RFC and asking for loans under the terms of the bill, just as the people in the Columbia Valley of Oregon and Washington would be able to do?

Mr. CAIN. Not only today, but in the future, they will be justified in requesting disaster loans; but they would have been justified in going to the Reconstruction Finance Corporation for disaster assistance prior to this time.

The tragedy in the Northwest gave to the Banking and Currency Committee and to the Senators generally an oppor-

ed by the Congress under the Interstate Commerce Act?

I therefore feel that the President has missed the point entirely in this proposed legislation.

It amplifies and intensifies the scope of Interstate Commerce Commission authority over the matter of rate making. Rate bureaus and associations are now brought within their purview, just as the rates and tariffs themselves have been since 1910.

Approval of these rate association agreements does not automatically carry with it the Commission blessing into eternity, for the Commission is specifically authorized not only on complaint, but on its own initiative, to review its approvals and ascertain whether agreements are being carried out as intended and within the standards set forth.

This conference method of working out rate matters for subsequent Interstate Commerce Commission approval is long standing and invaluable. In the absence of rate conferences, tariff schedules would have to be filed by individual railroads and thousands of motor carriers. The result would be regulatory chaos. Prompt legislative action is needed to insure preservation of a regulated system of rate-making that is overwhelmingly approved by those affected.

The President seems to have in mind, as is also shown in this reference to pending Department of Justice suits, that the bill as passed by the Congress covers some other matters under consideration in earlier bills of long ago. This bill is confined to rate matters only. Other types of agreements in previously proposed legislation have been eliminated. Indeed, the result has been that the only group which previously appeared in opposition to the bill, has endorsed the bill in its present form.

I know of no legislation in my own experience in this House which has had more careful consideration than this bill. Its support is practically unanimous. The same reasons which warranted my own support in urging its original passage, remain unchallenged in my own mind by the veto message, and prompt me again to ask the House for action to make this bill law.

In accordance with consent given I herewith include as part of my remarks the editorial appearing in the Washington Post June 16, 1948, reading as follows:

RATE MAKING

The President's veto of the Bulwinkle-Reed bill exempting rate agreements by railroads and other common carriers from the antitrust laws should be overridden. For, if upheld by Congress, it would result in serious disruption of rate-making processes that have stood the test of time and meet with the approval of shippers as well as the Interstate Commerce Commission and State regulatory officials. A great deal depends, therefore, upon the action taken today by the Senate on the rejected measure. If it votes to override the veto the chances are that the House, which passed the bill by a very large majority, will follow suit.

In passing the Bulwinkle-Reed bill, Congress sought to remove the confusion and uncertainty that have resulted from a conflict of views regarding the applicability of the antitrust laws to certain kinds of agree-

ments among regulated common carriers. As the Senate Committee on Interstate Commerce said in its report on the bill, "a large measure of collective action by and among common carriers is necessary if the national transportation policy is to be effected and if the public is to receive the kind of transportation service to which it is entitled and if rates are to be reasonable and nondiscriminatory." If, as the Department of Justice maintains, rate agreements effectuated through rate bureaus and associations are to be regarded as illegal restraints of competition, the regulatory system under which the carriers have been operating for years will be shot to pieces.

The late Joseph B. Eastman of the Interstate Commerce Commission, who was also director of the Office of Defense Transportation, was an ardent defender of the existing system of rate conferences. He said some years ago that he did not know how the carriers could comply with the mandates of the law and the orders of the commission unless they could consult and confer with one another. He further pointed out that such joint action was always subject to protest and review by the ICC if in violation of the provisions of the Interstate Commerce Act. The bill vetoed last week by the President does not impair any of these existing safeguards against abuse. The carriers will have the right, as at present, to propose rates to the ICC, subject to its approval. And the commission may suspend any proposed changes on protest or of its own initiative as at present. The bill also protects the rights of a carrier to take independent action regardless of conference decisions. Spokesmen for the Department of Justice have made much of the fact that few protests reach the Commission, citing it as an indication that rate bureaus are in a position virtually to compel individual roads to adhere to collective agreements. However, it can just as well be maintained that the small proportion of protested rate changes is proof that the conference method of rate adjustment works very satisfactorily for all interested parties, roads and shippers alike.

The President's charge that the Bulwinkle-Reed bill represents a departure from the present transportation policy of regulated competition simply does not fit the facts of the case. For the bill does not impair the regulatory powers over rate making now exercised by the ICC. Nor does it render the carriers immune from the antitrust laws except as to joint rate agreements of the kind they have long been accustomed to enter into with the approval of the ICC.

In the absence of rate conferences tariff schedules would have to be filed by individual railroads and by thousands of motor carriers. The result would be not competition but regulatory chaos. The integrated rate structure would fall apart and the ICC would be overwhelmed by the burden of work thrust upon it by protesting shippers and carriers. Consequently, prompt legislative action is needed to insure preservation of a regulated system of rate making that an overwhelming majority of transportation officials, regulatory agencies, and shippers consider indispensable and in the public interest.

The pending antitrust cases referred to by President Truman as one reason for vetoing the Bulwinkle-Reed bill may not be settled for some time. Nor is it certain that those suits will result in judicial clarification of the issues raised in the present instance. Incidentally, the pending Georgia and Lincoln, Nebr., suits to which the President was evidently referring in his veto message, would not be thrown out of court by legalization of carrier-rate agreements, since the roads concerned have been charged with conspiracy to fix rates of a discriminatory nature. Such practices are outlawed by the antitrust laws, whether they are engi-

neered by rate bureaus or other agencies. And the Bulwinkle-Reed bill would not legalize such unlawful antisocial practices. In sum, the national interest appears to require that Congress override Mr. Truman's veto of this important measure.

John Hollis Bankhead 2d

MEMORIAL ADDRESS

OF

HON. JOHN J. SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN HOLLIS BANKHEAD 2D, late a Senator from the State of Alabama

Mr. SPARKMAN. Mr. President, on this occasion I wish to pay tribute to one of America's greatest public servants. Few men, if any, have served their country with more distinction or more honor than the late beloved JOHN H. BANKHEAD served his.

In fact, I dare say that no family has contributed more to the history of a State or a country than the Bankhead family contributed to the history of Alabama and the Nation during the last half century.

Some of you no doubt know of this family's many fine achievements. Even so, I wish to relate some congressional history in which the Bankhead family participated.

It is most unusual for a father who has served in both Houses of Congress to have two sons and a grandson serve in either or both branches of Congress. Yet, John H. Bankhead, Sr., father of the late Senator BANKHEAD, was elected to Congress, served steadfastly and honestly in the House of Representatives, was elected to the Senate and served there until his death. He acquired a Nation-wide reputation because of his faithfulness and the excellent performance of duty.

One of his sons, William B. Bankhead, was elected to the House of Representatives, and rose by dint of ability to majority leadership of the House of Representatives, and thence to the speakership. I say with pride that no person ever filled this important position with more fairness, impartiality, and ability. He was loved and respected by members of all political parties.

In the meantime, Speaker Bankhead's brother, JOHN H. BANKHEAD, 2D, to whom we do honor today, was elected to the Senate. He held that office with distinction and ability, with the admiration and personal friendship of all who knew him.

Walter Will Bankhead, son of Senator BANKHEAD, also served in Congress for a short while as successor to his uncle, Speaker Bankhead. Thus three generations of the Bankhead family have rendered distinguished service to this State and to this Nation in the Halls of Congress.

The Bankhead family has not only given to both branches of Congress Mem-

bers who have had long and successful tenure of office, but it also has given to the fields of art and literature outstanding names that are familiar to us all. I know that others in this famous family will carry on the tradition of fidelity to duty which has so aptly characterized their forefathers.

Senator BANKHEAD was well equipped for his successful tenure in the Senate. Born in Lamar County, Ala., in 1872, he attended the public schools of Alabama, and graduated from the University of Alabama in 1891, only 19 years of age. He was a member of Phi Beta Kappa. In 1893 he received his law degree from the Georgetown Law School, and was admitted to the bar the same year. He was the senior partner with his brother, the late Speaker W. B. Bankhead, in the law firm of Bankhead & Bankhead until his election to the Senate in 1930, where he represented the people of Alabama until his untimely death in 1946.

Senator BANKHEAD was a member of the important Banking and Currency Committee, and took a leading part in enacting legislation that played a major part in helping to win the great conflict through which we have just passed.

The many statutes which bear his name are eloquent testimony to the outstanding part he played in the work of the Senate, and the splendid contributions he made to the progress and welfare of Alabama and the Nation.

Although he served well and with distinction on the Banking and Currency Committee, and also on the influential Appropriations Committee, it was on the Agriculture Committee that he probably attained the most fame. He labored long and tirelessly for American agriculture, and was known throughout the Nation as the champion of the American farmer and agriculture's principal leader in Congress. His name was known in all parts of our country as an authority upon all agricultural problems. He endeavored seriously and sincerely to solve these problems, be they problems connected with cotton or wheat, be they problems of Alabama or of the Northwest. Never at any time did he permit partisanship or sectionalism to limit in any way the efforts he exerted in behalf of the farmers of the United States.

The laws which bear his name are too numerous to discuss in detail here. A few which have meant so much to the American farmer, and indirectly to the whole world are:

BANKHEAD COTTON CONTROL ACT (APRIL 21, 1934)

We all remember the desperate plight of the cotton farmers in the early 1930's. This act fostered and protected interstate and foreign commerce in cotton, and was the forerunner of the present marketing quota law. It supplemented the voluntary cotton crop reduction program which had been authorized under the Agricultural Adjustment Act. The result of this act was to enable farmers to grow less cotton, to receive higher pay for cotton produced, to let land rest from exhaustive demands of cotton production, and to practice diversification of farming.

BANKHEAD-JONES ACT (JUNE 29, 1935)

Among other things the Bankhead-Jones Act provided for additional research into basic laws and principles relating to agriculture, notably in connection with production, distribution, and conservation. Previous Federal legislation had authorized and financed some agricultural research; but the Bankhead-Jones Act expanded the authorization, and provided especially for better coordination of Federal and State efforts. When matched with equal State funds, 60 percent of the appropriations authorized under the Bankhead-Jones Act became available to the States, the Territories, and Puerto Rico, on the basis of their respective populations.

Under sections 1 and 4 of this legislation, the Federal Government established special research laboratories in major agricultural regions. These laboratories soon had impressive achievements to their credit, among which were new methods of producing the wonder-drug penicillin; findings in the production of synthetic rubber; pilot-plant demonstrations in the production of plastics; and ways of getting motor fuel and even synthetic fibers from agricultural materials. For example, one laboratory produced a new artificial fiber experimentally from peanut protein. Another laboratory produced an artificial fiber from the protein of corn.

SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT (FEBRUARY 29, 1936)

This was an amendment to the Soil Conservation Act of 1935. Features that went beyond the provisions of the earlier act included several of great importance, such as paramount emphasis on long-time soil conservation through improved farm management; and provisions for apportioning conservation payments among landlords, tenants, and share croppers.

Prior to the Soil Conservation and Domestic Allotment Act the United States was losing the productivity of 100,000,000 acres a year from erosion alone. Today these losses have been cut in half. In the conditions that prevailed during the 1930's, when farm incomes were very low, agriculture needed special help and special incentives to conserve the soil. This measure, which Senator BANKHEAD sponsored in 1936, was an important means to that end.

BANKHEAD-JONES FARM TENANT ACT (JULY 22, 1937)

This measure authorized loans to farm tenants, laborers, share croppers, and others, to enable them to become farm owners. It provided also for rehabilitation loans to worthy individuals, out of which such persons might purchase livestock, supplies, and equipment, and get back on their feet as solvent farmers. In the fiscal year 1946 the Farm Security Administration approved more than 3,000 applications for farm ownership loans to several thousand tenants or other eligible persons. In Alabama the percentage of farms operated by tenants declined from 58 percent—1940 census—to less than 50 percent—1945 census. But again we must admit that though a beginning of a trend back to wider ownership has been

started, it is still only that—a beginning—and the longest and hardest part of the work is down the road a piece.

Senator BANKHEAD played an active part in agricultural legislation almost to the end of his life. In 1945 he was joint-author of the Bankhead-Flannagan Act, which authorized additional appropriations for cooperative extension work in agriculture and home economics. It provided especially for technical and educational assistance to farm people in improving their standards of living, their marketing, their individual plans for farm and home improvement, their youth clubs, and their programs for correcting nutritional deficiencies. Authorized on a matched-fund basis, this measure provided that part of each appropriation under it should be available for allotment on the basis of special needs.

This great legislation and other laws he supported have left the Nation a rich legacy of farm legislation. It was due in part to these enlightened agricultural policies that our farmers were able to increase their production more than a third above prewar level, and thus made it possible to feed our soldiers and those of our allies as we struggled for survival in World War II. It was due in part to these policies that agriculture is today an industry whose assets total well over a hundred billion dollars, and whose quick assets are several times as great as its total debt.

The farmer has never had a more devoted champion in Congress. There are many other things I might say about Senator BANKHEAD in tribute to his legislative genius and to his devotion to duty.

He was a Democrat in politics, but he was not a shortsighted partisan. When partisan advantage clashed with national welfare he acted first for the interest of his country.

In his passing the Nation lost a valued leader.

The gratitude in the hearts of farm people all over America and the love of all who knew him will stand as a lasting memorial to him.

An Editorial in a Million

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 1948

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks, I include the following pertinent and timely editorial from the Chicago Tribune which should be of interest to all Members of Congress:

AN EDITORIAL IN A MILLION

The New York Herald Tribune published an editorial on its front page the other day protesting against the action of the House in reducing the Marshall plan appropriation.

Pronouncing itself a Republican newspaper, the Herald-Tribune called upon the Senate's Republican majority to undo what the House had done.

DIGEST OF
CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued June 18, 1948
For actions of June 17, 1948
30th-2nd, No. 111

CONTENTS

Agricultural appropriation bill.....30	Foreign affairs.....6,15	Prices, support.....1
Appropriations...2,9,10,11,12,17,23,30,37,38,40,42	Relief.....35	Purchasing.....40
Auditing.....7	Forests and forestry.....8	Quarantine, animal.....43
C.C.C.....26	Golden nematode.....39	R.F.C.....7
Displaced persons.....15	Grain.....25	Selective service.....21
Economy.....23	Health.....14	Soil conservation.....1
Electrification, rural...33	Housing.....18,27,34	Taxation.....3
Emergency powers.....45	Labor.....44	Territories and pos- sessions.....13,16,17,24
Expenditures.....32	Labor, farm.....1	Tobacco.....1
Farm program.....1,29	Lands.....41	Trade, foreign.....8,43
Flood control.....20	Legislative program.....5	Transportation.....13,19,36
Food and drugs.....4	Oleomargarine.....3,12	Water pollution.....22
	Personnel.....31	Wool.....1
	Prices, parity.....1	

HIGHLIGHTS: Senate passed Aiken farm program bill; agreed to amendment to provide tobacco supports at 90% and other amendments; rejected various Russell amendments, including substitute. Sen. Russell submitted notice to suspend rules in order to propose amendment re disaster relief. Senate committee reported supplemental independent offices appropriation bill, which includes surplus property provisions. House committee reported housing bill without rural-housing title. House received conference report on Interior appropriation bill. House passed carrier rate-agreements bill over President's veto. House agreed to conference report on omnibus flood-control bill. House concluded debate on selective-service bill; is to vote today.

SENATE

1. FARM PROGRAM. Passed, 79-3, H. R. 6248 after substituting the language of S. 2318, as amended, for the House version. Sens. Aiken, Young, Thye, Thomas of Okla., and Ellender were appointed conferees. (pp. 8801-14, 8822-52, 8854-78).
(1880)

Agreed to the following amendments:

- By Sen. Cooper, Ky., for himself and Sen. Barkley, Ky., to provide for tobacco supports at 90% of parity, by a 41-40 vote. For parliamentary reasons Sen. Barkley then moved to reconsider the vote and Sen. Tydings moved to lay the motion on the table. The Tydings motion was agreed to, 42-38. (pp. 8802-14, 8822-3.)
- By Sen. O'Mahoney, Wyo., to make it clear that the 360,000,000 pounds of wool mentioned in Sec. 302 (c) refers to shorn wool (pp. 8829-32).
- By Sen. Wherry, Nebr., to direct the Secretary to make a conservation study of the present and potential agricultural lands, etc. (pp. 8869-70).
- By Sen. Wherry, to provide for a time-table on the survey and reports regarding agricultural lands (pp. 8870-1).
- By Sen. Saltonstall, Mass., to provide for USDA hearings before the Secretary determines on price supports above 90% (p. 8824).

Rejected the following amendments:

- By Sen. Russell, Ga., (as amended by amendments suggested by Sens. Ives and

Williams) to substitute, for the Aiken bill, (1) the provisions of the Hope price-support bill (H. R. 6248 as passed by the House), (2) continuation of Federal administration of ACP for 1 year, and (3) continuation of CCC under the Delaware charter for 2 years; by a 27-55 vote (pp. 8833-64).

By Sen. Russell, to include all farm labor in the parity formula and to provide alternative parity formulas; by a 23-59 vote (pp. 8864-6).

By Sen. Russell, to include all farm labor in the parity formula; by a 28-51 vote (pp. 8866-7).

By Sen. Russell, to include all hired farm labor in the parity formula; by a 29-53 vote (pp. 8867-9).

The bill, as passed by the Senate, was printed in the Record (pp. 8871-7).

2. NAVY DEPARTMENT APPROPRIATION BILL, 1949. Both Houses agreed to the conference report on this bill, H.R. 6771 (pp. 8718-30, 8815-6). This bill will now be sent to the President.
3. OLEOMARGARINE TAXES. Sen. Maybank, S.C., inserted his statement on the oleomargarine tax repeal bill (pp. 8852-4).
4. FOOD AND DRUGS. Agreed to the conference report on H.R. 4071, to increase the authority of the Food and Drug Administration to condemn foods, etc. (p. 8816).
5. LEGISLATIVE PROGRAM. Agreed to unanimous consent request to call the calendar today, June 18 (pp. 8801-2).
6. FOREIGN AFFAIRS. The Expenditures in the Executive Departments Committee submitted a preliminary report on relations with international organizations (S. Rept. 1757) (p. 8878).
7. R.F.C. AUDIT. Received from the Comptroller General volume 8 of the GAO audit report on RFC (p. 8794).
8. FOREST PRODUCTS. Sen. Morse, Ore., spoke in opposition to a proposed amendment to the housing bill which would eliminate import duties on plywood and inserted his statement relative to the effect of such an amendment on the plywood industry of the Pacific Northwest (p. 8894).
9. APPROPRIATIONS. Sen. Lucas, Ill., inserted a Washington Post editorial urging that the President challenge "through his veto power, the pernicious practice of tacking legislative riders onto appropriation bills" (pp. 8800-1).

20. FLOOD CONTROL. Agreed to the conference report on H.R. 6419, which contains authorizations for flood control, including \$10,000,000 for this Department and Army Department to make examinations and surveys (p. 3720). This bill will now be sent to the President.
21. SELECTIVE SERVICE. Concluded debate on H.R. 6401, the selective-service bill (pp. 3722-31). Final action is to be taken on the bill today, June 15.
22. WATER POLLUTION. Received the conference report on S. 418, to provide for water-pollution control activities by the Public Health Service and the Federal Works Agency (pp. 3731-2).
23. FOREIGN AID APPROPRIATION BILL, 1949. Rep. Taber, N.Y., obtained unanimous consent for the conferees on this bill, H.R. 6801, to file their report by midnight, June 17 (p. 3713).
24. ALASKA. Received from the Interior Department a proposed bill to aid the settlement and development of Alaska; to Public Lands Committee (p. 3791).
25. GRAIN. Received a Central Retail Feed Assn. resolution favoring a change to the hundredweight system for grain; to Agriculture Committee (p. 3792).
26. C.C.C. Received a Central Retail Feed Assn. resolution endorsing "all legislation which is designed to keep Commodity Credit Corporation from competing with private business"; to Banking and Currency Committee (p. 3792).

BILLS INTRODUCED

27. HOUSING. H.Res. 689, by Rep. Gamble, N.Y., to establish a select committee to be known as the Committee on Housing. To Rules Committee. (p. 3792.)
28. ECONOMY. H.R. 6976, by Rep. Javits, N.Y., to create a National Economic Commission, to establish procedures for the formulation and achievement of national economic goals for the making of voluntary agreements in commerce. To Banking and Currency Committee. (p. 3792.)

ITEMS IN APPENDIX

29. FARM PROGRAM. Extension of remarks of Rep. Harris, Ark., expressing his views on a long-range farm program (pp. A4189-90).
30. AGRICULTURAL APPROPRIATIONS. Extension of remarks of Rep. Bennett, Mo., commending Congressional action on USDA's appropriation bill (pp. A4195-7).
Sen. Brooks, Ill., inserted an Illinois Agricultural Association letter commending the work of the Subcommittee on Agricultural Appropriations (p. A4222).
31. FEDERAL PAY BILL. Extension of remarks of Rep. Kefauver, Tenn., favoring salary increases for Federal employees (pp. A4197-8).
32. GOVERNMENT EXPENDITURES. Extension of remarks of Rep. Vursell, Ill., criticizing Government expenditures (p. A4198).
33. RURAL ELECTRIFICATION. Extension of remarks of Rep. Bennett, Mo., commending progress in rural electrification and urging its further extension (pp. A4198-9).
34. HOUSING. Extension of remarks of Rep. Isacson, N.Y., favoring the TEW housing bill (pp. A4200-1).

10. SECOND DEFICIENCY APPROPRIATION BILL, 1949, H.R. 6935.

Sen. Russell, Ga., submitted a notice to suspend the rules in order to propose an amendment to this bill to include \$75,000,000, to remain available until expended, for repair, etc., of flood damage to public facilities, by the Federal Works Agency (p. 8795).

11. SUPPLEMENTAL INDEPENDENT OFFICES APPROPRIATION BILL, 1949. The Appropriations Committee reported with amendments this bill, H.R. 6829 (S.Rept. 1758) (p. 8878).

12. MILITARY ESTABLISHMENTS APPROPRIATION BILL, 1949. Passed with amendment this bill, H.R. 6771 (pp. 8880-4). Agreed to an amendment by Sen. Fulbright, Ark., to strike out the prohibition against the use of appropriations for the purchase of oleomargarine or butter substitutes for other than cooking purposes (pp. 8883-4). Senate conferees appointed (p. 8884).

13. ALASKAN TRANSPORTATION. The Interstate and Foreign Commerce Committee reported with amendments S.J.Res. 219, to continue until Dec. 31, 1949, the authority of the U.S. Maritime Commission to make provision for certain ocean transportation services to, from, and within Alaska (S.Rept. 1755) (p. 8794).

14. HEALTH. The Labor and Public Welfare Committee submitted a report of the activities of the Subcommittee on Health in relation to national health problems (S.Rept. 1571) (pp. 8795-9).

15. DISPLACED PERSONS. Received from the President a supplemental appropriation estimate of \$4,000,000, 1949, for the "Immigration of displaced persons"; to Appropriations Committee (S.Doc. 181) (p. 8793).

16. ALASKAN DEVELOPMENT. Received from the Interior Department a draft of a proposed bill to aid the settlement and development of Alaska; to Interior and Insular Affairs Committee (p. 8793).

HOUSE

17. INTERIOR DEPARTMENT APPROPRIATION BILL, 1949. Received the conference report on this bill, H.R. 6705 (pp. 8782-90). Regarding the amendment on reclamation investigations in Alaska, the conferees restored the House language with a change so that it would read as follows: "For engineering and economic investigations, as a basis for legislation, and for reports thereon, relating to projects for the development and utilization of the water power resources of Alaska, \$150,000..."

18. HOUSING. The Banking and Currency Committee reported without amendment H.R. 6959, the revised housing bill (H.Rept. 2389) (p. 8791). The Veterans' Affairs Committee also reported this bill (H.Rept. 2390) (p. 8791). The Daily Digest states that this "measure calls for renewal of Government mortgage insurance on new houses up to 90 percent of value; priorities for veterans in buying war-built Government housing; and a revised system of figuring depreciation allowances on new apartment or multiple-dwelling construction." The bill does not contain the public-housing sections nor the rural housing title.

19. TRANSPORTATION. Passed, 297-102, over the President's veto, S. 110, to amend the Interstate Commerce Act so as to authorize certain rate agreements among carriers when approved by ICC (pp. 8711-2).

80TH CONGRESS
2D SESSION

H. R. 6248

IN THE SENATE OF THE UNITED STATES

JUNE 17 (legislative day, JUNE 15), 1948

Ordered to be printed with the amendments of the Senate

AN ACT

To authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding any other provision of law, the Secre-
4 tary of Agriculture is authorized and directed through any
5 instrumentality or agency within or under the direction of
6 the Department of Agriculture, by loans, purchases, or other
7 operations—

8 (a) To support prices received by producers of cotton,
9 wheat, corn, tobacco, rice, and peanuts marketed before

1 June 30, 1950, if producers have not disapproved marketing
2 quotas for such commodity for the marketing year beginning
3 in the calendar year in which the crop is harvested. The
4 price support authorized by this subsection shall be made
5 available as follows:

6 (1) To cooperators at the rate of 90 per centum
7 of the parity price for the commodity as of the beginning
8 of the marketing year;

9 (2) To noncooperators at the rate of 60 per centum
10 of the rate specified in (1) above and only on so much
11 of the commodity as would be subject to penalty if
12 marketed.

13 All provisions of law applicable with respect to loans under
14 the Agricultural Adjustment Act of 1938, as amended, shall,
15 insofar as they are consistent with the provisions of this sub-
16 section, be applicable with respect to loans or other price
17 support operations authorized under this subsection.

18 (b) To support until June 30, 1950, a price to pro-
19 ducers of commodities with respect to which the Secretary
20 of Agriculture by public announcement pursuant to the
21 provisions of the Act of July 1, 1941, as amended, requested
22 an expansion of production of not less than 60 per centum
23 of the parity or comparable price therefor nor more than
24 the level at which such commodity was supported in 1948,
25 except that Irish potatoes harvested before January 1, 1949,

1 milk and its products, hogs, chickens, and eggs shall be
2 supported at 90 per centum of the parity or comparable
3 price. The comparable price for any such commodity shall
4 be determined and used by the Secretary for the purposes
5 of this subsection if the production or consumption of such
6 commodity has so changed in extent or character since the
7 base period as to result in a price out of line with parity
8 prices for the commodities referred to in ~~(a)~~ hereof. In
9 carrying out the provisions of this subsection the Secretary
10 of Agriculture shall have the authority to require compliance
11 with production goals and marketing regulations as a con-
12 dition to eligibility of producers for price support.

13 ~~(e)~~ Sections 1 and 3 of the Act approved August 5,
14 1947 (Public Law 360, Eightieth Congress), are amended
15 by striking out in each section the date "December 31, 1948"
16 wherever it appears and inserting in lieu thereof the date
17 "June 30, 1950".

18 ~~(d)~~ It is hereby declared to be the policy of the Con-
19 gress that the lending and purchase operations of the Depart-
20 ment of Agriculture ~~(other than those referred to in sub-~~
21 ~~sections (a), (b), and (e) hereof)~~ shall be carried out so
22 as to bring the price and income of the producers of other
23 agricultural commodities not covered by subsections ~~(a),~~
24 ~~(b), and (e)~~ to a fair parity relationship with the com-
25 modities included under subsections ~~(a), (b), and (e),~~

1 to the extent that funds for such operations are available
2 after taking into account the operations with respect to the
3 commodities covered by subsections (a), (b), and (c). In
4 carrying out the provisions of this subsection the Secretary
5 of Agriculture shall have the authority to require compliance
6 with production goals and marketing regulations as a condi-
7 tion to eligibility of producers for price support.

8 SEC. 2. From any funds available to the Department
9 of Agriculture or any agency operating under its direction
10 for price support operations or for the disposal of agricul-
11 tural commodities, the Secretary of Agriculture is author-
12 ized and directed to use such sums as may be necessary to
13 carry out the provisions of section 1 of this Act.

14 SEC. 3. Section 22 of the Agricultural Adjustment Act,
15 as added by section 31 of the Act of August 24, 1935
16 (49 Stat. 773), reenacted by section 1 of the Agricultural
17 Marketing Agreement Act of 1937 (50 Stat. 246), as
18 amended, is hereby amended to read as follows:

19 “SEC. 22. (a) Whenever the President has reason to
20 believe that any article or articles are being or are practically
21 certain to be imported into the United States under such
22 conditions and in such quantities as to render or tend to
23 render ineffectual, or materially interfere with, any program
24 or operation undertaken under this title or the Soil Conserva-
25 tion and Domestic Allotment Act, as amended, or section

1 32, Public Law Numbered 320, Seventy-fourth Congress,
2 approved August 24, 1935, as amended, or any loan, pur-
3 chase, or other program or operation undertaken by the
4 Department of Agriculture, or any agency operating under
5 its direction, with respect to any agricultural commodity or
6 product thereof, or to reduce substantially the amount of any
7 product processed in the United States from any agricultural
8 commodity or product thereof with respect to which any such
9 program or operation is being undertaken, he shall cause
10 an immediate investigation to be made by the United States
11 Tariff Commission, which shall give precedence to investiga-
12 tions under this section to determine such facts. Such in-
13 vestigation shall be made after due notice and opportunity
14 for hearing to interested parties, and shall be conducted
15 subject to such regulations as the President shall specify.

16 “(b) If, on the basis of such investigation and report
17 to him of findings and recommendations made in connec-
18 tion therewith, the President finds the existence of such
19 facts, he shall by proclamation impose such fees not in excess
20 of 50 per centum ad valorem or such quantitative limita-
21 tions on any article or articles which may be entered, or
22 withdrawn from warehouse, for consumption as he finds and
23 declares shown by such investigation to be necessary in
24 order that the entry of such article or articles will not render
25 or tend to render ineffective, or materially interfere with,

1 any program or operation referred to in subsection (a),
2 of this section, or reduce substantially the amount of any
3 product processed in the United States from any such agri-
4 cultural commodity or product thereof with respect to which
5 any such program or operation is being undertaken: *Pro-*
6 *vided*, That no proclamation under this section shall impose
7 any limitation on the total quantity of any article or articles
8 which may be entered, or withdrawn from warehouse, for
9 consumption which reduces such permissible total quantity
10 to proportionately less than 50 per centum of the total
11 quantity of such article or articles which was entered, or
12 withdrawn from warehouse, for consumption during a repre-
13 sentative period as determined by the President: *And pro-*
14 *vided further*, That in designating any article or articles,
15 the President may describe them by physical qualities, value,
16 use, or upon such other bases as he shall determine.

17 “(c) The fees and limitations imposed by the Presi-
18 dent by proclamation under this section and any revocation,
19 suspension, or modification thereof, shall become effective
20 on such date as shall be therein specified, and such fees shall
21 be treated for administrative purposes and for the purposes
22 of section 32 of Public Law Numbered 320, Seventy-fourth
23 Congress, approved August 24, 1935, as amended, as duties
24 imposed by the Tariff Act of 1930, but such fees shall not
25 be considered as duties for the purpose of granting any

1 preferential concession under any international obligation
2 of the United States.

3 “(d) After investigation, report, finding, and declara-
4 tion in the manner provided in the case of a proclamation
5 issued pursuant to subsection (b) of this section, any
6 proclamation or provision of such proclamation may be sus-
7 pended or terminated by the President whenever he finds
8 and proclaims that the circumstances requiring the proclama-
9 tion or provision thereof no longer exist or may be modified
10 by the President whenever he finds and proclaims that
11 changed circumstances require such modification to carry
12 out the purposes of this section.

13 “(e) Any decision of the President as to facts under
14 this section shall be final.

15 “(f) No proclamation under this section shall be en-
16 forced in contravention of any treaty or other international
17 agreement to which the United States is or hereafter becomes
18 a party.”

19 SEC. 4. This Act shall take effect on January 1, 1949,
20 except that section 3 shall take effect on the date of enact-
21 ment of this Act.

22 *That this Act may be cited as the “Agricultural Act of*
23 *1948”.*

24 *DECLARATION OF POLICY*

25 SEC. 2. *It is hereby recognized that a sound national*

1 *economy requires that each segment of the population be*
2 *maintained as an efficient producer and a constant consumer*
3 *of goods and services, and it is hereby declared to be the*
4 *policy of Congress to provide for a coordinated program, to*
5 *be administered by the Secretary of Agriculture in coopera-*
6 *tion with agencies in the several States, and designed—*

7 (1) *to restore, develop, conserve, and wisely use our*
8 *basic resources of soil, water, forests, and wildlife habitat*
9 *in order to assure an abundant production of all agri-*
10 *cultural products necessary for the general well being of*
11 *all our people;*

12 (2) *to develop a means of supporting agricultural*
13 *income on a flexible basis relative to prices and produc-*
14 *tion so as to foster desirable shifts in agricultural produc-*
15 *tion and aid in stabilizing the national economy;*

16 (3) *to improve methods of marketing, facilitate*
17 *distribution, and increase utilization of agricultural com-*
18 *modities in both domestic and foreign markets;*

19 (4) *to regulate interstate and foreign commerce in*
20 *cotton, wheat, corn, tobacco, rice, and peanuts to the*
21 *extent necessary to provide an orderly, adequate, and*
22 *balanced flow of such commodities in interstate and*
23 *foreign trade through price support, marketing quotas,*
24 *diversion to various economic uses, and other means;*

25 (5) *to assist consumers in obtaining adequate and*

1 *steady supplies of high-quality farm products at fair and*
2 *equitable prices;*

3 *(6) to assist low-income families and school chil-*
4 *dren in maintaining an adequate diet, particularly in*
5 *periods of underconsumption and unemployment;*

6 *(7) to obtain full cooperation and coordinated action*
7 *of land operators living on the farms in restoring,*
8 *developing, conserving, and wisely using our basic*
9 *resources of soil, water, forests, and wildlife habitat;*

10 *(8) to provide more adequately for the coordina-*
11 *tion and expansion of Federal and State soil surveys and*
12 *other investigations, experimentation, and research per-*
13 *taining to the conservation, restoration, and development*
14 *of our natural agricultural resources, and for the publi-*
15 *cation of the results of such studies;*

16 *(9) to assure that payments to farmers in each*
17 *State for soil-conservation practices shall be made only*
18 *for practices approved by the Secretary of the United*
19 *States Department of Agriculture upon the recom-*
20 *mendation of the State agricultural council (hereinafter*
21 *provided for);*

22 *(10) to provide for the fullest development and the*
23 *most efficient employment of rural human resources;*

24 *(11) to provide more fully for adult education*

1 through cooperative agricultural extension work as the
2 recognized educational and demonstrational medium for
3 reaching farm people and others in regard to agricul-
4 tural information, policies, and programs;

5 (12) to provide for the full development of personal
6 initiative and local responsibility in the development
7 and administration of programs for the maintenance of a
8 progressive agriculture;

9 (13) to provide for the adaptation of agricultural
10 programs to the different and changing needs of regional
11 and local communities;

12 (14) to encourage producers, processors, and dis-
13 tributors to enter into marketing agreements for the
14 supplying of adequate quantities of selected farm prod-
15 ucts at a reasonable and assured price;

16 (15) to continue the use of certain revenues and
17 funds for judicious support of prices of highly perish-
18 able products, including fresh fruits, vegetables, milk,
19 and eggs, in facilitating distribution of such products for
20 diet improvement of low-income families and school chil-
21 dren, in stimulating improved nutrition, and in encour-
22 aging the exportation of such products; and

23 (16) to assist in the retention of foreign outlets in
24 order to (a) maintain long-run export demands, (b)
25 prevent short-run demoralization of domestic markets,

and (c) maintain productive capacity sufficient to satisfy expected long-run domestic markets plus foreign demand for agricultural products.

TITLE I—REORGANIZATION

DECENTRALIZATION OF FUNCTIONS

SEC. 101. *The Secretary of Agriculture (hereinafter called the "Secretary") shall establish an agency, to be known as the "Bureau of Agricultural Conservation and Improvement", to exercise all functions of the Secretary and of the various bureaus and agencies within the Department of Agriculture which (1), prior to the enactment of this Act, were assigned to the Soil Conservation Service or to the Agricultural Conservation Programs Branch of the Production and Marketing Administration, or (2) the Secretary deems to be principally related to soil conservation and improvement or to those aspects of programs of the Department of Agriculture which require direct dealings by the Department with farmers; except that, subject to the supervision and direction of the Secretary—*

(a) *the educational, informational, and demonstrational features of such functions shall be exercised, in the several States, Alaska, Hawaii, and Puerto Rico, through the Extension Service of the United States Department of Agriculture in cooperation with the agencies performing cooperative agricultural extension work;*

1 (b) the research and investigational features of such
2 functions shall be exercised in the several States, Alaska,
3 Hawaii, and Puerto Rico through the agricultural ex-
4 periment stations in cooperation with the Secretary act-
5 ing through the Office of Experiment Stations; and

6 (c) such functions, except as provided by clauses
7 (a) and (b) of this section, shall within the continental
8 United States be performed at State and county levels,
9 insofar as the Secretary may deem practicable, by the
10 State agricultural councils, the county and community
11 agricultural program committees, and the county agri-
12 cultural program executive committees, all hereinafter
13 provided for.

14 Except as provided in clauses (a) and (b) of this
15 section, the furnishing of technical assistance, and machinery
16 and equipment to soil-conservation districts and others, as
17 heretofore performed by the Soil Conservation Service, shall
18 be performed by the Bureau of Agricultural Conservation
19 and Improvement in cooperation with the State agricultural
20 councils established pursuant to this Act and the soil-con-
21 servation districts established by State laws. The functions
22 assigned pursuant to this section to the State agricultural
23 councils and the agencies performing cooperative agricultural
24 extension work shall be closely coordinated by the Secretary
25 and by such councils and agencies.

CONSERVATION SURVEY

(d) In order to effectuate the purposes of this Act, the Secretary of Agriculture shall, as rapidly as practicable, make a conservation survey of the Nation's present and potential agricultural lands, and he is authorized to analyze, publish, and distribute information concerning such survey and to provide land use capability maps to landowners and operators applicable to their units of land and to assist them in interpreting and analyzing such maps. On the basis of this conservation survey, maps shall also be prepared delineating those lands suitable for cultivation, those primarily suitable for the production of forests and forest products, those primarily suitable for range livestock production, those primarily suitable for wildlife purposes, and shall specify in addition those lands potentially suitable for intensive agricultural use through irrigation, drainage, clearing, or otherwise, and this survey shall be utilized by all agencies of the Federal Government in the development of agricultural lands within their jurisdiction.

LAND CONSERVATION AND DEVELOPMENT TIMETABLE

(e) Prior to the first request for an annual appropriation for purposes of this Act, the Secretary of Agriculture shall prepare and submit to the Congress a preliminary land conservation and development timetable, showing the current rates and extent of land damage in the United States, the

1 *dates practicable for the completion of the conservation sur-*
 2 *vey, and a specification of the land treatment in his opinion*
 3 *deemed necessary, including estimated costs thereof. On*
 4 *completion and analysis of the conservation survey of the*
 5 *Nation's land, the Secretary of Agriculture shall revise the*
 6 *land conservation and development timetable accordingly and*
 7 *shall submit it to Congress.*

8 *APPROPRIATIONS AVAILABLE FOR FUNCTIONS TO BE*
 9 *PERFORMED AS COOPERATIVE EXTENSION WORK*

10 *SEC. 102. (a) (A) Any sums hereafter appropriated,*
 11 *other than as grants-in-aid, and available for functions which*
 12 *the Secretary determines to be functions required by section*
 13 *101 (a) of this Act to be exercised through the Extension*
 14 *Service and cooperating agencies in the several States and*
 15 *the Territory of Hawaii, to the extent that such funds are*
 16 *available at the time the Secretary makes such determination,*
 17 *and (B) any sums appropriated specifically for functions*
 18 *covered by section 101 (a), shall be paid to the several*
 19 *States and the Territory of Hawaii in the same manner*
 20 *and subject to the same conditions and limitations as the*
 21 *additional sums appropriated under the Act entitled "An*
 22 *Act to provide for cooperative agricultural extension work*
 23 *between the agricultural colleges in the several States re-*
 24 *ceiving the benefits of the Act of Congress approved July*
 25 *2, 1862, and all Acts supplementary thereto, and the United*

1 *States Department of Agriculture*”, approved May 8, 1914
2 (*U. S. C.*, title 7, secs. 341–343, 344–348), except that—

3 (1) not more than 2 per centum of the sums so
4 appropriated and available in each fiscal year shall be
5 available for paying expenses of the Extension Service
6 of the United States Department of Agriculture; and

7 (2) the remainder of the sums so appropriated and
8 available in each fiscal year shall be paid to the several
9 States and the Territory of Hawaii, without any require-
10 ment that equal sums be provided from any other
11 sources, in the same proportions as the sums appropriated
12 for such fiscal year pursuant to section 23 of the Act
13 entitled “An Act to provide for research into basic laws
14 and principles relating to agriculture and to provide for
15 the further development of cooperative agricultural ex-
16 tension work and the more complete endowment and
17 support of land-grant colleges”, approved June 29,
18 1935, as amended (*U. S. C.* title 7, sec. 343d–1).

19 (b) The sums paid pursuant to this section shall be in
20 addition to and not in substitution for sums appropriated
21 under such Act of May 8, 1914, as amended and supple-
22 mented, or sums otherwise appropriated for agricultural ex-
23 tension work. Allotments to any State or the Territory of
24 Hawaii for any fiscal year as provided by this section shall
25 be available for payment to such State or the Territory of

1 *Hawaii only if such State or the Territory of Hawaii com-*
2 *plies, for such fiscal year, with the provisions with reference to*
3 *offset of appropriations (other than appropriated funds*
4 *allotted pursuant to this section) for agricultural extension*
5 *work.*

6 *DIVISION OF SOIL CONSERVATION AND IMPROVEMENT*

7 *SEC. 103. The Secretary shall establish within the*
8 *Office of Experiment Stations an organizational unit to carry*
9 *out the functions assigned to him by section 101 (b) of this*
10 *Act. Not more than 5 per centum of any Federal funds*
11 *made available for research projects supervised by such*
12 *organizational unit shall be available for its expenses.*

13 *APPROPRIATIONS AVAILABLE FOR FUNCTIONS TRANS-*
14 *FERRED TO EXPERIMENT STATIONS*

15 *SEC. 104. The Secretary is authorized to make avail-*
16 *able from any funds heretofore or hereafter appropriated,*
17 *other than as grants-in-aid, for functions which pursuant to*
18 *section 101 (b) are to be exercised through the agricultural*
19 *experiment stations in the several States, Alaska, Hawaii,*
20 *and Puerto Rico such sums as he may deem appropriate for*
21 *allotment to such agricultural experiment stations. The*
22 *sums so allotted shall be in addition to and not in substitution*
23 *for sums otherwise appropriated for the work of such agri-*
24 *cultural experiment stations.*

1 COMMUNITY, COUNTY, AND STATE AGRICULTURAL

2 COMMITTEES AND COUNCILS

3 COMMUNITY AGRICULTURAL PROGRAM COMMITTEES

4 SEC. 105. *The farm operators within each local admin-*
5 *istrative area of the continental United States hereinafter*
6 *provided for shall elect annually from among their number*
7 *(1) three members of a community agricultural program*
8 *committee, designating one of such members to be chairman,*
9 *and (2) first and second alternates. In any county in which*
10 *only one such area is situated five members and two alternates*
11 *shall be elected for the community agricultural program*
12 *committee for such area. Vacancies occurring in the mem-*
13 *bership of the committee between annual elections shall be*
14 *filled for the unexpired terms by the first and second*
15 *alternates in that order, or if there are no alternates available,*
16 *by an election by the farm operators. Vacancies occurring*
17 *in the chairmanship of the committee between annual elec-*
18 *tions shall be filled for the unexpired term by election by the*
19 *committee from among its members. No member shall be*
20 *elected for four full consecutive terms. The committee shall*
21 *perform within its area the function assigned to it pursuant*
22 *to section 101 (c) of this Act and such other functions as the*
23 *Secretary may assign to it. The local administrative areas*

1 *designated by the Secretary and serving on the date of enact-*
 2 *ment of this Act as units for administration of programs*
 3 *under section 8 of the Soil Conservation and Domestic Allot-*
 4 *ment Act shall serve as local administrative areas for the*
 5 *purposes of this section, but each county agricultural program*
 6 *committee may, with the approval of the State agricultural*
 7 *council, from time to time designate different local adminis-*
 8 *trative areas within its county for the purposes of this*
 9 *section.*

10 COUNTY AGRICULTURAL PROGRAM COMMITTEES

11 *SEC. 106. In each county there shall be a county agri-*
 12 *cultural program committee consisting of—*

13 *(1) the members of the community agricultural*
 14 *program committees in the county;*

15 *(2) the agricultural extension agent for the county,*
 16 *who shall have no vote; and*

17 *(3) one representative designated by each of such*
 18 *agencies concerned with soil conservation, grass conser-*
 19 *vation, drainage, irrigation or other agricultural interests*
 20 *as the State agricultural council may specify, but the*
 21 *number of agencies so specified shall be at least one less*
 22 *than the number of members provided for by clause (1).*

23 *The county agricultural program committee shall perform*
 24 *within its county the functions assigned to it pursuant to*
 25 *section 101 (c) of this Act and such other functions as the*

1 *Secretary may assign to it. It shall meet at such times as*
2 *it may specify, or upon call of the chairman of the county*
3 *agricultural program executive committee for its county.*

4 COUNTY AGRICULTURAL PROGRAM EXECUTIVE
5 COMMITTEES

6 *SEC. 107. The elected members of each county agricul-*
7 *tural program committee shall elect annually from among*
8 *their number (1) not less than three and not more than*
9 *five, as determined by the State agricultural council, members*
10 *of a county agricultural program executive committee, desig-*
11 *nating one of such members to be chairman, one to be vice*
12 *chairman, and one to be secretary, of such executive com-*
13 *mittee, and (2) first and second alternates. Vacancies oc-*
14 *curring among the members of such executive committee*
15 *between annual elections shall be filled for the unexpired*
16 *terms by the first and second alternates in that order, or, if*
17 *there are no alternates available, by election from among*
18 *their number by the elected members of the county agricul-*
19 *tural program committee, and at such election first and*
20 *second alternates again shall be elected. Vacancies in the*
21 *offices of chairman, vice chairman, and secretary occurring*
22 *between annual elections shall be filled for the unexpired*
23 *terms by election by such executive committee from among*
24 *its members. No member shall be elected for four full*
25 *consecutive terms. The executive committee shall, through*

1 personnel employed by it, perform within the county the
2 functions assigned to it pursuant to section 101 (c) of this
3 Act and such other functions as the Secretary may assign
4 to it.

5 STATE AGRICULTURAL COUNCILS

6 SEC. 108. (a) For each State of the United States
7 there shall be a State agricultural council consisting of the
8 ex officio members hereinafter specified who shall have no
9 vote, four farmer members, and as many additional farmer
10 members as may be specified in accordance with the pro-
11 visions of this section; but the number of additional farmer
12 members so specified shall not exceed the greater of (1) two,
13 or (2) one for each full twenty counties in the State, plus
14 and if the number of counties in the State is not evenly
15 divisible by twenty and exceeds by more than ten the mul-
16 tiple of twenty which it least exceeds. The Commissioner
17 (or Secretary or Director, as the case may be) of Agri-
18 culture, or his designee, the Director of the Agricultural
19 Experiment Station, or his designee, and the Director of the
20 Agricultural Extension Service, or his designee, for such
21 State shall be the ex officio members.

22 (b) The farmer members shall be appointed by the
23 Secretary from among farmers nominated, by majority vote,
24 by the chairmen of the county agricultural program execu-
25 tive committees of the State, three nominations being sub-

mitted for each appointment to be made. Not more than two of the three nominations for any appointment shall be from among the number of such chairmen. The farmer members first appointed after the enactment of this Act shall be appointed for three-, two-, and one-year terms in as nearly equal groups as may be possible; and their successors shall be appointed for three-year terms. Farmer members shall be subject to removal by the Secretary at any time. Vacancies occurring among the farmer members shall be filled for the unexpired terms by appointment by the Secretary from among the farmers nominated, but not appointed, at the time of the last regular appointment prior to the occurrence of such vacancies. No farmer member shall be appointed for any term which, with any previous periods of service by him as such a member, would exceed five years during any six-year period.

(c) The number of additional farmer members, if any (not exceeding the maximum number prescribed by the first sentence of this section), to be appointed first after the enactment of this Act shall be specified by the ex officio members of the State agricultural council. The number of additional farmer members thereafter to be appointed shall be specified by the State agricultural council. Should the number of additional farmer members at any time be increased as provided by this section, the additional farmer

1 members so added shall be appointed for such terms that
2 the number of terms expiring in succeeding years shall,
3 as nearly as may be possible, be equal. Any decrease, as
4 provided by this section, in the number of additional farmer
5 members shall be made by allowing terms to expire without
6 appointing successors in such manner that the number of
7 terms expiring annually after the decrease has been com-
8 pleted shall, as nearly as may be possible, be equal.

9 (d) The State agricultural council shall develop plans
10 to effectuate the purposes of section 7 of the Soil Conserva-
11 tion and Domestic Allotment Act in its State, shall perform
12 the functions assigned to it pursuant to section 101 (c) of
13 this Act and such other functions within its State as the
14 Secretary may assign to it, shall supervise and direct the
15 work of the county agricultural program and executive com-
16 mittees in its State, and shall otherwise cooperate with the
17 Secretary in the planning and carrying out of soil conserva-
18 tion programs in its State. It shall elect from among its
19 number a chairman, vice chairman, and secretary, shall
20 employ, on an annual basis, a State administrator and may
21 employ such other personnel as it may deem necessary to
22 carry out its functions. In carrying out the functions assigned
23 to it, and subject to the approval of the Secretary, it may

1 enter into arrangements with (1) the Agricultural Exten-
2 sion Service in its State for the conduct of educational and
3 demonstrational programs and (2) State agricultural coun-
4 cils of other States for cooperation on matters of mutual in-
5 terest. Federal grants-in-aid for programs administered by
6 the State agricultural council shall be disbursed by the
7 appropriate agency of the State only pursuant to direction
8 by the State agricultural council. Any grants-in-aid or other
9 funds allocated to a State for programs administered by the
10 State agricultural council may be withheld or recalled by the
11 Secretary if he determines that such council is not faith-
12 fully administering the programs assigned to it.

13 ADMINISTRATIVE EXPENSES

14 SEC. 109. The Secretary is authorized and directed,
15 from any funds made available for the purposes of the Acts
16 in connection with which State agricultural councils, county
17 or community agricultural program committees, or county
18 agricultural program executive committees may be utilized, to
19 make payments to such councils or committees to cover the
20 estimated administrative expenses incurred or to be incurred
21 by them in carrying out the functions assigned to them under
22 such Acts. All or part of such administrative expenses of
23 any such council or committee may be deducted pro rata

1 from the Soil Conservation Act payments, parity payments,
2 or loans, or other payments or grants-in-aid under such
3 Acts, unless payment of such expenses is otherwise provided
4 by law. The Secretary may make such payments in advance
5 of determination of performance. The administrative ex-
6 penses covered by such payments shall not include com-
7 pensation for services of members of State agricultural
8 councils and of community and county agricultural program
9 and executive committees except (subject to approval by
10 the Secretary) as follows:

11 (a) Each farmer member of a State agricultural
12 council shall be entitled to compensation, at such rates
13 as may be fixed by the Secretary, for time actually spent
14 by him in the work of the council pursuant to its direc-
15 tion; and

16 (b) Each member of a county agricultural program
17 executive committee shall be entitled to compensation, at
18 such rate as may be fixed by the appropriate State agri-
19 cultural council, for time actually spent by him in the
20 work of the committee pursuant to its direction and
21 subject to the approval of the State agricultural council.

22 Subject to such limitations as the Secretary may prescribe,
23 such council and committee members shall also be entitled
24 to their reasonable expenses incurred in serving as such
25 members. No such member shall, out of any amounts paid

1 by the Secretary, be paid for performing any services in
 2 addition to his services as member for any such council or
 3 committee, but a member may resign as member in order
 4 to accept employment by a council or committee, and a mem-
 5 ber of a community agricultural program committee may be
 6 paid for services performed at the request of the county
 7 agricultural program, or executive committee, or the State
 8 agricultural council. The Secretary shall make such regu-
 9 lations as are necessary relating to the selection and exercise
 10 of the functions of such councils and committees, respectively.
 11 A county agricultural program executive committee may,
 12 except as may be disapproved by the Secretary, accept, in
 13 addition to the amounts paid to it by the Secretary, funds
 14 from other public agencies to be utilized for agricultural
 15 purposes.

16 MEMBERSHIP LIMITED TO ONE COUNCIL OR COMMITTEE

17 SEC. 110. No person shall be a member of more than
 18 one council or executive committee established pursuant to
 19 this Act. Appointment of any chairman of a county agri-
 20 cultural program executive committee to be a member of a
 21 State agricultural council shall cause the offices he holds as
 22 a member of a community agricultural program committee,
 23 a county agricultural program committee, and a county agri-
 24 cultural program executive committee to become vacant.

1 *TITLE II—AMENDMENTS TO SOIL CONSERVA-*
2 *TION AND DOMESTIC ALLOTMENT ACT*

3 *UTILIZATION OF LOCAL ORGANIZATIONS IN STATE PLANS*

4 *SEC. 201. Section 7 (d) of the Soil Conservation and*
5 *Domestic Allotment Act is amended by inserting at the end*
6 *thereof the following:*

7 *“No such plan submitted by a State of the United States*
8 *shall be approved by the Secretary, except upon the recom-*
9 *mendation of the State agricultural council created pursuant*
10 *to the Agricultural Act of 1948; and unless by its terms such*
11 *plan provides—*

12 *“(A) that any sum to be allocated by the Secretary*
13 *to carry out the plan shall be disbursed by the appro-*
14 *priate agency of the State only pursuant to direction by*
15 *the State agricultural council, and*

16 *“(B) that (i) the State agricultural council, and*
17 *(ii) the community and county agricultural program*
18 *committees and county agricultural program executive*
19 *committees created pursuant to the Agricultural Act of*
20 *1948, shall, respectively, if authorized by the State, be*
21 *administering and participating agencies as provided in*
22 *clauses (1) and (2) of this subsection”.*

23 *EXTENSION OF NATIONAL PAYMENT PROGRAMS*

24 *SEC. 202. Section 8 (a), as amended, of the Soil Con-*
25 *servation and Domestic Allotment Act is amended (a) by*

1 *striking out "January 1, 1949" wherever appearing therein*
2 *and inserting in lieu thereof "January 1, 1951", and (b)*
3 *by striking out "December 31, 1948" and inserting in lieu*
4 *thereof "December 31, 1950".*

5 *UTILIZATION OF LOCAL ORGANIZATIONS IN NATIONAL*
6 *PROGRAMS*

7 *SEC. 203. Section 8 (b) of the Soil Conservation and*
8 *Domestic Allotment Act is amended to read as follows:*

9 *"(b) Subject to the limitations provided in subsection*
10 *(a) of this section, the Secretary shall have power to carry*
11 *out the purposes specified in clauses (1), (2), (3), (4),*
12 *and (5) of section 7 (a) by making payments or grants of*
13 *other aid to agricultural producers, including tenants and*
14 *sharecroppers, in amounts determined by the Secretary upon*
15 *the recommendation of the respective State agricultural coun-*
16 *cils to be fair and reasonable in connection with the effectua-*
17 *tion of such purposes during the year with respect to which*
18 *such payments or grants are made, and measured by (1)*
19 *their treatment or use of their land, or a part thereof, for*
20 *soil restoration, soil conservation, or the prevention of erosion;*
21 *(2) changes in the use of their land, including the develop-*
22 *ment of suitable wildlife habitat in carrying out the*
23 *purposes of section 1 of the Act of August 14, 1946 (60 Stat.*
24 *1080); (3) their equitable share as determined by the*
25 *Secretary, of the normal national production of any commod-*

ity or commodities required for domestic consumption; or
(4) their equitable share, as determined by the Secretary,
of the national production of any commodity or commodities required for domestic consumption and exports
adjusted to reflect the extent to which their utilization
of cropland on the farm conforms to farming practices
which the Secretary determines will best effectuate the
purposes specified in section 7 (a); or (5) any combination
of the above. In arid or semiarid sections, (1) and (2)
above shall be construed to cover water conservation and
the beneficial use of water on individual farms, including
measures to prevent run-off, the building of check dams and
ponds, and providing facilities for applying water to the land.
In determining the amount of any payment or grant measured by (1) or (2) the Secretary shall take into consideration the productivity of the land affected by the farming practices adopted during the year with respect to which such payment is made. In carrying out the provisions of this section in the continental United States, the Secretary is directed to utilize the State agricultural councils and community and county agricultural program committees and executive committees created pursuant to the Agricultural Act of 1948. In carrying out the provisions of this section, the Secretary shall, as far as practicable, protect the interests of tenants and sharecroppers; is authorized to utilize the

1 agricultural extension service and other approved agencies;
2 shall accord such recognition and encouragement to producer-
3 owned and producer-controlled cooperative association as
4 will be in harmony with the policy toward cooperative
5 associations set forth in existing Acts of Congress and
6 as will tend to promote efficient methods of marketing
7 and distribution; shall not have power to acquire any
8 land or any right or interest therein; shall, in every
9 practicable manner, protect the interests of small pro-
10 ducers; and shall in every practical way encourage and pro-
11 vide for soil-conserving and soil-rebuilding practices rather
12 than the growing of soil-depleting crops. Rules and regula-
13 tions governing payments or grants under this subsection
14 shall be as simple and direct as possible, and, wherever
15 practicable, they shall be classified on two bases: (a) Soil-
16 depleting crops and practices, (b) soil-building crops and
17 practices. Notwithstanding any other provision of law in
18 making available conservation materials consisting of seeds,
19 seed inoculants, fertilizers, liming and other soil-conditioning
20 materials, trees, or plants, or in making available soil-con-
21 serving or soil-building services, to agricultural producers
22 under this subsection, the Secretary may make payments,
23 in advance of determination of performance by the producers,
24 to persons who fill purchase orders covering approved con-

1 *servation materials or covering soil-conserving or soil-building*
2 *services, furnished to producers at not to exceed a fair price*
3 *fixed in accordance with regulations to be prescribed by the*
4 *Secretary, or who render services to the Secretary in deliver-*
5 *ing to producers approved conservation materials, for the*
6 *carrying out, by the producers, of soil-building or soil-con-*
7 *serving practices approved by the Secretary.*

8 *“Appropriations are hereby authorized for the purchase*
9 *in advance of the program year for which the appropria-*
10 *tion is made of seeds, fertilizers, lime, trees, or other plants,*
11 *or any other farming materials or any services, and making*
12 *grants thereof to agricultural producers to aid them in carry-*
13 *ing out farming practices approved by the Secretary in pro-*
14 *grams under this Act, as amended; for the reimbursement of*
15 *any Federal, State, or local government agency for fertilizers,*
16 *seeds, lime, trees, or other plants, or other farming materials,*
17 *or any services, furnished by such agency; and for the pay-*
18 *ment of all expenses necessary in making such grants, includ-*
19 *ing all or part of the cost incident to the delivery thereof.”*

20 *SEC. 204. The Soil Conservation and Domestic Allot-*
21 *ment Act is amended—*

22 *(a) By striking out the first word of section 8 (e)*
23 *and inserting in lieu thereof “Subject to the provisions of*
24 *section 18 of this Act, payments”;*

1 (b) By striking out the proviso contained in section 8
2 (e); and

3 (c) By adding at the end thereof the following new
4 section:

5 “SEC. 18. Payments or grants of aid to farmers in any
6 State, under a State plan or by the Secretary, for soil-build-
7 ing or soil-conserving practices shall be—

8 “(a) made only for such practices as may be
9 approved by the Secretary upon the recommendation of
10 the State agricultural council;

11 “(b) made, except with respect to farms designated
12 as demonstration or experimental farms, only for prac-
13 tices which the Secretary, upon the recommendation of
14 the State agricultural council, determines have long-term
15 conservation and improvement value; and

16 “(c) divided among the landlords, tenants, and
17 sharecroppers of any farm, with respect to which such
18 payments are made, on the basis of relative value of their
19 contributions to such practices in such manner as may
20 be provided by the Secretary upon the recommendation
21 of the State agricultural council.

22 “Beginning with the calendar year 1949, the total pay-
23 ments for any year to any person, under all State plans
24 and otherwise under this Act, not including payments made

1 with respect to demonstration or experimental farms, shall
2 not exceed \$1,000; but programs under this Act may provide
3 that, at the election of the owner of any farm, soil conserva-
4 tion or improvement practices taken with respect to such
5 farm in any year which have long-term effect may form
6 the basis for payments in such year and not to exceed the
7 succeeding four years with respect to such farm."

8 SEC. 205. Section 11 of the Soil Conservation and
9 Domestic Allotment Act is amended to read as follows:

10 "SEC. 11. All funds available for carrying out this Act
11 shall be available for allotment to the bureaus and offices
12 of the Department of Agriculture and for transfer to such
13 other agencies of the Federal or State Governments as the
14 Secretary may request to cooperate or assist in carrying
15 out this Act, and for payments to State agricultural councils
16 or county or community agricultural program committees
17 or executive committees to cover the estimated administrative
18 expenses to be incurred by any such council or committee
19 in cooperating in carrying out this Act: Provided, That the
20 Secretary may prescribe that all or part of such estimated
21 expenses of any such council or committee may be deducted
22 pro rata from the payments or grants made to the members
23 thereof: And provided further, That the Secretary may make
24 such payments in advance of determination of performance."

1 *TITLE III—AMENDMENTS TO THE AGRICUL-*
2 *TURAL ADJUSTMENT ACT OF 1938*

3 *DEFINITIONS OF “PARITY PRICE”, “CARRY-OVER”,*
4 *“NORMAL SUPPLY”, AND “TOTAL SUPPLY”*

5 *SEC. 301. Section 301 of the Agricultural Adjustment*
6 *Act of 1938 is amended—*

7 *(a) By striking out paragraphs (1) and (2) of sub-*
8 *section (a) and inserting in lieu thereof the following:*

9 *“(1) (A) The ‘parity price’ for any agricultural com-*
10 *modity, as of any date, shall be determined by multiplying*
11 *the adjusted base price of such commodity as of such date*
12 *by the parity index as of such date.*

13 *“(B) The ‘adjusted base price’ of any agricultural*
14 *commodity, as of any date, shall be (i) the average of the*
15 *prices received by farmers for such commodity, at such*
16 *times as the Secretary may select during each year of the*
17 *ten-year period ending on the 31st of December last before*
18 *such date, or during each marketing season beginning in such*
19 *period if the Secretary determines use of a calendar year*
20 *basis to be impracticable, divided by (ii) the ratio of the gen-*
21 *eral level of prices received by farmers for agricultural com-*
22 *modities during such period to the general level of prices*
23 *received by farmers for agricultural commodities during the*
24 *period January 1910 to December 1914, inclusive.*

1 “(C) The ‘parity index’, as of any date, shall be the
 2 ratio of (i) the general level of prices for articles and services
 3 that farmers buy, interest on farm indebtedness secured by
 4 farm real estate, and taxes on farm real estate, for the
 5 calendar month ending last before such date to (ii) the general
 6 level of such prices, rates, and taxes during the period
 7 January 1910 to December 1914, inclusive.

8 “(D) The prices and indices provided for herein, and
 9 the data used in computing them, shall be determined by
 10 the Secretary, whose determination shall be final.

11 “(E) Notwithstanding the provisions of subparagraph
 12 (A), the transitional parity price for any agricultural com-
 13 modity, computed as provided in this subparagraph, shall be
 14 used as the parity price for such commodity until such date
 15 after January 1, 1949, as such transitional parity price may
 16 be lower than the parity price, computed as provided in sub-
 17 paragraph (A), for such commodity. The transitional
 18 parity price for any agricultural commodity as of any date
 19 shall be—

20 “(i) its parity price determined in the manner used
 21 prior to the effective date of the Agricultural Act of 1948,
 22 less

23 “(ii) five per centum of the parity price so deter-
 24 mined multiplied by the number of full calendar years

1 *which, as of such date, have elapsed after January 1,*
2 *1948.*

3 *“(F) Notwithstanding the provisions of subparagraph*
4 *(A) and (E), if the parity price for any agricultural com-*
5 *modity, computed as provided in subparagraphs (A) and*
6 *(E) appears to be seriously out of line with the parity prices*
7 *of other agricultural commodities, the Secretary may, and*
8 *upon the request of a substantial number of interested pro-*
9 *ducers shall, hold public hearings to determine the proper*
10 *relationship between the parity price of such commodity and*
11 *the parity prices of other agricultural commodities. Within*
12 *sixty days after commencing such hearing the Secretary shall*
13 *complete such hearing, proclaim his findings as to whether*
14 *the facts require a revision of the method of computing the*
15 *parity price of such commodity, and put into effect any*
16 *revision so found to be required.*

17 *“(2) ‘Parity’, as applied to income, shall be that gross*
18 *income from agriculture which will provide the farm operator*
19 *and his family with opportunities for living equivalent to those*
20 *afforded persons dependent upon other gainful occupation.*
21 *‘Parity’ as applied to income from any agricultural com-*
22 *modity for any year, shall be that gross income which bears*
23 *the same relationship to parity income from agriculture for*
24 *such year as the average gross income from such commodity*

1 for the preceding ten calendar years bears to the average
2 gross income from agriculture for such ten calendar years.”

3 (b) By amending paragraph (3) (A) of subsection
4 (b) to read as follows:

5 “(A) ‘Carry-over’, in the case of corn, rice, and pea-
6 nuts for any marketing year shall be the quantity of the
7 commodity on hand in the United States at the beginning of
8 such marketing year, not including any quantity which was
9 produced in the United States during the calendar year then
10 current.”

11 (c) By amending paragraph (3) (B) of subsection
12 (b) to read as follows:

13 “(B) ‘Carry-over’ of cotton for any marketing year
14 shall be the quantity of cotton on hand within the United
15 States at the beginning of such marketing year, which was
16 produced in the United States prior to the beginning of the
17 calendar year then current, plus the quantity on hand within
18 the United States at the beginning of such marketing year
19 which was produced outside the United States.”

20 (d) By striking out paragraph (10) of subsection (b)
21 and inserting in lieu thereof the following:

22 “(10) (A) ‘Normal supply’ in the case of corn,
23 cotton, rice, wheat, and peanuts for any marketing year

shall be (i) the estimated domestic consumption of the commodity for the marketing year ending immediately prior to the marketing year for which normal supply is being determined, plus (ii) the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus (iii) an allowance for carry-over. The allowance for carry-over shall be the following percentage of the sum of the consumption and exports used in computing normal supply: 7 per centum in the case of corn; 30 per centum in the case of cotton; 10 per centum in the case of rice; 15 per centum in the case of wheat; and 15 per centum in the case of peanuts. In determining normal supply the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary.

“(B) ‘Normal supply’ in the case of tobacco shall be a normal year’s domestic consumption and exports, plus 175 per centum of a normal year’s domestic consumption and 65 per centum of a normal year’s exports as an allowance for a normal carry-over.”

(e) By amending paragraph (16) of subsection (b) to read as follows:

“(A) ‘Total supply’ of cotton, wheat, corn, rice, and

1 peanuts for any marketing year shall be the carry-over
 2 of the commodity for such marketing year, plus the estimated
 3 production of the commodity in the United States during
 4 the calendar year in which such marketing year begins and
 5 the estimated imports of the commodity into the United
 6 States during such marketing year.

7 “(B) ‘Total supply’ of tobacco for any marketing year
 8 shall be the carry-over at the beginning of such marketing
 9 year plus the estimated production thereof in the United
 10 States during the calendar year in which such marketing
 11 year begins, except that the estimated production of type-46
 12 tobacco during the marketing year with respect to which
 13 the determination is being made shall be used in lieu of
 14 the estimated production of such type during the calendar
 15 year in which such marketing year begins in determining
 16 the total supply of cigar filler and cigar binder tobacco.”

17 PRICE SUPPORT

18 SEC. 302. (a) Section 302 of the Agricultural Adjust-
 19 ment Act of 1938, as amended, is amended to read as
 20 follows:

21 “SEC. 302. (a) The Secretary, through the Commodity
 22 Credit Corporation (except as provided in subsection (c))
 23 and other means available to him, is authorized to sup-

1 port prices of agricultural commodities to producers
2 through loans, purchases, payments, and other operations.
3 Except as otherwise provided in this section, the amounts,
4 terms, and conditions of such price support operations, and
5 the extent to which such operations are carried out, shall,
6 in the case of operations carried out by Commodity Credit
7 Corporation, be determined by the Corporation with the
8 approval and subject to the direction of the Secretary, and,
9 in the case of operations carried out by other means, be
10 determined by the Secretary. In making such determina-
11 tions, consideration shall be given to (1) the supply of the
12 commodity in relation to the demand therefor, (2) the price
13 levels at which other commodities are being supported, (3)
14 the availability of funds, (4) the perishability of the com-
15 modity, (5) its importance to agriculture and the national
16 economy, (6) the ability to dispose of stocks acquired through
17 a price support operation, (7) the need for offsetting tempo-
18 rary losses of export markets, and (8) the ability and
19 willingness of producers to keep supplies in line with demand.
20 Compliance by the producer with acreage allotments, pro-
21 duction goals, and marketing practices prescribed by the
22 Secretary may be required as a condition of eligibility for
23 price support. The Secretary shall in all cases give con-

1 sideration to the practicability of supporting prices indirectly,
 2 as by the development of improved merchandising methods,
 3 rather than directly by purchase or loan.

4 “(b) (1) Price support shall be made available to pro-
 5 ducers of any basic agricultural commodity at levels deter-
 6 mined as hereinafter provided in this subsection. On the
 7 basis of the latest available statistics of the Department of
 8 Agriculture as of the beginning of each marketing year for
 9 each such basic agricultural commodity, the Secretary shall,
 10 with respect to such marketing year and such basic agri-
 11 cultural commodity—

12 “(i) estimate the total supply;

13 “(ii) determine the normal supply; and

14 “(iii) determine the percentage which the estimated
 15 total supply is of the normal supply (such percentage
 16 being referred to herein as the ‘supply percentage’).

17 “(2) The level at which the price of such basic agri-
 18 cultural commodity for such marketing year shall be sup-
 19 ported for cooperators (other than cooperators outside the
 20 commercial corn-producing area, in the case of corn) shall
 21 not exceed 90 per centum of the parity price of such com-
 22 modity as of the beginning of the marketing year or be less

1 than the percentage of its parity price as of the beginning of
 2 such marketing year determined from the following table:

<i>If the supply percentage is:</i>	<i>The level of support shall be not less than the fol- lowing percentage of the parity price:</i>
<i>Not more than 70-----</i>	<i>90</i>
<i>More than 70 but not more than 72-----</i>	<i>89</i>
<i>More than 72 but not more than 74-----</i>	<i>88</i>
<i>More than 74 but not more than 76-----</i>	<i>87</i>
<i>More than 76 but not more than 78-----</i>	<i>86</i>
<i>More than 78 but not more than 80-----</i>	<i>85</i>
<i>More than 80 but not more than 82-----</i>	<i>84</i>
<i>More than 82 but not more than 84-----</i>	<i>83</i>
<i>More than 84 but not more than 86-----</i>	<i>82</i>
<i>More than 86 but not more than 88-----</i>	<i>81</i>
<i>More than 88 but not more than 90-----</i>	<i>80</i>
<i>More than 90 but not more than 92-----</i>	<i>79</i>
<i>More than 92 but not more than 94-----</i>	<i>78</i>
<i>More than 94 but not more than 96-----</i>	<i>77</i>
<i>More than 96 but not more than 98-----</i>	<i>76</i>
<i>More than 98 but not more than 102-----</i>	<i>75</i>
<i>More than 102 but not more than 104-----</i>	<i>74</i>
<i>More than 104 but not more than 106-----</i>	<i>73</i>
<i>More than 106 but not more than 108-----</i>	<i>72</i>
<i>More than 108 but not more than 110-----</i>	<i>71</i>
<i>More than 110 but not more than 112-----</i>	<i>70</i>
<i>More than 112 but not more than 114-----</i>	<i>69</i>
<i>More than 114 but not more than 116-----</i>	<i>68</i>
<i>More than 116 but not more than 118-----</i>	<i>67</i>
<i>More than 118 but not more than 120-----</i>	<i>66</i>
<i>More than 120 but not more than 122-----</i>	<i>65</i>
<i>More than 122 but not more than 124-----</i>	<i>64</i>
<i>More than 124 but not more than 126-----</i>	<i>63</i>
<i>More than 126 but not more than 128-----</i>	<i>62</i>
<i>More than 128 but not more than 130-----</i>	<i>61</i>
<i>More than 130-----</i>	<i>60</i>

3 “(3) Notwithstanding the foregoing provisions of this
 4 section—

5 (A) the minimum level of price support to coop-
 6 erators for any basic agricultural commodity shall be
 7 120 per centum of the minimum level determined from
 8 the foregoing table, if acreage allotments are in effect

1 at the beginning of the planting season for such com-
 2 modity, or if marketing quotas are in effect at the begin-
 3 ning of the marketing year for such commodity; but
 4 in no case shall the level of price support for any com-
 5 modity be increased thereby above 90 per centum of its
 6 parity price as of the beginning of the marketing year;
 7 and

8 “(B) the level of price support for any basic
 9 agricultural commodity normally marketed in any
 10 marketing year with respect to which marketing quotas
 11 have been disapproved by producers shall be 50 per
 12 centum of the parity price of such commodity as of the
 13 beginning of such marketing year.

14 “(4) The level at which the price of corn shall be sup-
 15 ported for cooperators outside the commercial corn-producing
 16 area shall be 75 per centum of the level at which the price
 17 is supported for cooperators in the commercial corn-produc-
 18 ing area with respect to corn.

19 “(5) Notwithstanding the foregoing provisions of this
 20 section, the level of price support to cooperators for any
 21 crop of tobacco for which marketing quotas are in effect
 22 shall be 90 per centum of its parity price as of the beginning
 23 of the marketing year.

24 “(c) The support price for any nonbasic agricultural
 25 commodity shall not exceed 90 per centum of the parity

1 price for the commodity as of the beginning of the marketing
2 year or season in the case of a commodity marketed on a
3 marketing year or seasonal basis, and as of January 1 in
4 the case of any other commodity. Any price support opera-
5 tion undertaken with respect to either turkeys or chickens
6 shall be applicable to all chickens, including broilers, appro-
7 priate adjustments being made as provided in subsection (e)
8 of this section: Provided, That if any price support opera-
9 tion is undertaken with respect to either chickens or turkeys,
10 the same parity price support operation shall be undertaken
11 with respect to ducks and ducklings and other poultry. The
12 price of wool shall be supported at such level, not in excess
13 of 90 per centum nor less than 60 per centum of its parity
14 price as of January 1, as the Secretary may consider neces-
15 sary in order to encourage an annual production of ap-
16 proximately 360,000,000 pounds of shorn wool. The price
17 of any kind of Irish potatoes harvested after December 31,
18 1948, shall be supported at not less than 60 per centum nor
19 more than 90 per centum of the parity price for Irish pota-
20 toes as of the beginning of its marketing season. The Com-
21 modity Credit Corporation shall not carry out any operation
22 to support the price of any nonbasic agricultural commodity
23 (other than Irish potatoes) which is so perishable in nature
24 as not to be reasonably storable without excessive loss or
25 excessive cost; but any such operation may be carried out

1 by the Secretary through other means available to him such
2 as those provided by section 32, Public Law Numbered 320,
3 Seventy-fourth Congress, approved August 24, 1935, as
4 amended: Provided, That the foregoing provisions shall not
5 be construed to prohibit the Commodity Credit Corporation
6 from supporting the price of any perishable nonbasic agri-
7 cultural commodity by a loan, purchase, payment, or other
8 operation undertaken with respect to a storable commodity
9 processed from such perishable nonbasic agricultural com-
10 modity: Provided further, That the Secretary, in carrying
11 out programs with respect to perishable and nonperishable
12 commodities under section 32 of Public Law Numbered 320,
13 Seventy-fourth Congress, approved August 24, 1935, as
14 amended, and section 6 of the National School Lunch Act,
15 may utilize the services and facilities of the Commodity
16 Credit Corporation (including but not limited to procure-
17 ment by contract) and make advance payments to it: And
18 provided further, That in any fiscal year, if at the end of
19 the preceding fiscal year the sums appropriated under said
20 section 32 and remaining unexpended do not exceed \$300,-
21 000,000, Commodity Credit Corporation may, as provided
22 in section 302 (a) of this Act, carry out any operation to
23 support the price of any such perishable, nonbasic agricul-
24 tural commodity to the extent that the reserve for the postwar
25 price support of agriculture established pursuant to the First

1 *Supplemental Appropriation Rescission Act of 1946 (60*
2 *Stat. 8) and other funds appropriated for agricultural price*
3 *support are sufficient to cover any losses which may be*
4 *incurred in connection with such operation.*

5 “(d) Notwithstanding the foregoing provisions of this
6 section, price support operations at levels in excess of the
7 maximum level of price support otherwise prescribed in this
8 section may be undertaken whenever it is determined by the
9 Secretary after reasonable public notice and public hearing
10 with records of said hearing and a finding thereon by said
11 Secretary available to the public that price support at such
12 increased levels is necessary in order to increase or main-
13 tain the production of any agricultural commodity in the
14 interest of national security.

15 “(e) Appropriate adjustments may be made in the sup-
16 port price for any commodity for differences in grade, type,
17 staple, quality, location, and other factors. Such adjustments
18 shall be made in such manner that the average support price
19 for such commodity in each marketing year will, on the basis
20 of the anticipated incidence of such factors, be equal to the
21 level determined as provided in this section for such marketing
22 year.

23 “(f) For the purposes of this section—

24 “(1) A ‘cooperator’ with respect to any basic agri-
25 cultural commodity shall be a producer on whose farm

1 the acreage planted to the commodity does not exceed the
2 farm acreage allotment for the commodity under this title,
3 or, in the case of price support for corn to a producer
4 outside the commercial corn-producing area, a producer
5 who complies with conditions of eligibility prescribed by
6 the Secretary. For the purposes of this subsection a
7 producer shall not be deemed to have exceeded his farm
8 acreage allotment unless such producer knowingly ex-
9 ceeded such allotment.

10 “(2) A ‘basic agricultural commodity’ shall mean
11 any of the commodities cotton, wheat, corn, tobacco, rice,
12 and peanuts of a crop harvested after December 31,
13 1948.

14 “(3) A ‘nonbasic agricultural commodity’ shall
15 mean any agricultural commodity other than a basic
16 agricultural commodity.

17 “(g) No producer shall be personally liable for any
18 deficiency arising from the sale of the collateral securing
19 any loan made under authority of this section unless such
20 loan was obtained through fraudulent representations by the
21 producer. This provision shall not, however, be construed
22 to prevent Commodity Credit Corporation or the Secretary
23 from requiring producers to assume liability for deficiencies
24 in the grade, quality, or quantity of commodities stored on
25 the farm or delivered by them, for failure properly to care

1 for and preserve commodities, or for failure or refusal to
2 deliver commodities in accordance with the requirements of
3 the program.

4 “(h) The Commodity Credit Corporation shall not sell ✓
5 any farm commodity owned or controlled by it at less than
6 (1) a price determined on a pricing basis for its stocks of
7 such commodity on hand, which makes due allowance for
8 grade, type, quality, location, and other factors and which
9 is reasonably calculated to reimburse it for costs incurred by
10 it with respect to such stocks; (2) a price halfway between
11 the support price, if any, and the parity price of such com-
12 modity; or (3) a price equivalent to 90 per centum of the
13 parity price of such commodity, whichever price is the
14 lowest, except that the foregoing restrictions shall not
15 apply to (A) sales for new or byproduct uses; (B) sales
16 of peanuts for the extraction of oil; (C) sales for seed or
17 feed if such sales will not substantially impair any price-
18 support program; (D) sales of commodities which have sub-
19 stantially deteriorated in quality or of nonbasic perishable
20 commodities where there is danger of loss or waste through
21 spoilage; (E) sales for the purpose of establishing claims
22 against persons who have committed fraud, misrepresenta-
23 tion, or other wrongful acts with respect to the commodity;
24 (F) sales for export; (G) sales of wool; and (H) sales for
25 other than primary uses.”

1 (b) Section 381 (c) of the Agricultural Adjustment
2 Act of 1938 is repealed.

3 (c) Section 4 (a) of the Act entitled "An Act to extend
4 the life and increase the credit resources of the Commodity
5 Credit Corporation, and for other purposes", approved
6 July 1, 1941 (U. S. C., title 15, sec. 713a-8), is amended
7 by inserting after the first sentence thereof the following:
8 "Notwithstanding the expiration of the period specified in
9 the preceding sentence, the price of Irish potatoes harvested
10 prior to January 1, 1949, shall be supported as provided in
11 this section until the close of June 30, 1949."

12 MARKETING QUOTAS

13 CORN

14 SEC. 303. (a) The first sentence of section 322 (a)
15 of the Agricultural Adjustment Act of 1938 is amended to
16 read as follows:

17 "Whenever in any calendar year the Secretary determines—
18 “(1) that the total supply of corn for the market-
19 ing year beginning in such calendar year will exceed
20 the normal supply for such marketing year by more than
21 20 per centum; or

22 “(2) that the total supply of corn for the market-
23 ing year ending in such calendar year is not less
24 than the normal supply for the marketing year so ending,
25 and that the average farm price for corn for three

1 successive months of the marketing year so ending does
2 not exceed 66 per centum of parity
3 the Secretary shall, not later than November 15 of such
4 calendar year, proclaim such fact and marketing quotas
5 shall be in effect in the commercial corn producing area for
6 the crop of corn grown in such area in the next succeeding
7 calendar year and shall remain in effect until terminated in
8 accordance with the provisions of this title.”

9 (b) Sections 322 (b) and 322 (c) of the Agricultural
10 Adjustment Act of 1938 and the joint resolution entitled
11 “Joint resolution relating to section 322 of the Agricultural
12 Adjustment Act of 1938, as amended”, approved July 26,
13 1939 (53 Stat. 1125), are hereby repealed.

14 (c) Section 322 (d) of the Agricultural Adjustment Act
15 of 1938 is amended (1) by striking out "(c)" and inserting
16 in lieu thereof "(a)", and (2) by striking out "September"
17 and inserting in lieu thereof "March".

18 *WHEAT*

19 *SEC. 304. (a) Section 335 (a) of the Agricultural*
20 *Adjustment Act of 1938 is amended by striking out the first*
21 *two sentences thereof and inserting in lieu thereof the follow-*
22 *ing:*

23 “Whenever in any calendar year the Secretary determines—
24 “(1) that the total supply of wheat for the market-
25 ing year beginning in such calendar year will exceed

1 the normal supply for such marketing year by more
2 than 20 per centum; or

3 “(2) that the total supply of wheat for the market-
4 ing year ending in such calendar year is not less than
5 the normal supply for the marketing year so ending,
6 and that the average farm price for wheat for three
7 successive months of the marketing year so ending does
8 not exceed 66 per centum of parity

9 the Secretary shall, not later than July 1 of such calendar
10 year, proclaim such fact and, during the marketing year
11 beginning July 1 of the next succeeding calendar year and
12 continuing throughout such marketing year, a national mar-
13 keting quota shall be in effect with respect to the marketing
14 of wheat.”

15 (b) *The first sentence of section 336 of the Agricultural*
16 *Adjustment Act of 1938 is amended by striking out “June*
17 *10” and inserting in lieu thereof “July 25”.*

18 COTTON

19 *SEC. 305. The first sentence of section 345 of the Agri-*
20 *cultural Adjustment Act of 1938 is amended to read as*
21 *follows:*

22 “Whenever during any calendar year the Secretary deter-
23 mines—

24 “(1) that the total supply of cotton for the market-
25 ing year beginning in such calendar year will exceed the

normal supply for such marketing year by more than
8 per centum; or

“(2) that the total supply of cotton for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for cotton for three successive months of such marketing year does not exceed 66 per centum of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect with respect to cotton during the marketing year beginning in the next succeeding calendar year.”

RICE

SEC. 306. The first sentence of section 355 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

“Whenever during any calendar year the Secretary determines—

“(1) that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

“(2) that the total supply of rice for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the

1 average farm price for rice for three successive months
2 of such marketing year does not exceed 66 per centum of
3 parity
4 the Secretary shall, not later than December 31 of such
5 calendar year, proclaim such fact and, during the marketing
6 year beginning in the next succeeding calendar year and
7 continuing throughout such marketing year, a national mar-
8 keting quota shall be in effect with respect to the marketing
9 of rice by producers."

10 SEC. 307. The Agricultural Adjustment Act of 1938
11 is amended—

12 (a) By inserting in section 328 after the words "out-
13 side the commercial corn-producing area" the following:
14 "or imported";

15 (b) By inserting in section 333 after "for such crop"
16 the following: "and imports";

17 (c) By inserting in section 343 (a) after "August 1
18 of such succeeding calendar year" the following: "and
19 imports";

20 (d) By striking out sections 359 (d) and 359 (e);

21 (e) By striking out of section 364 "committee utilized
22 for the purposes of the Soil Conservation and Domestic Allot-
23 ment Act, as amended", and inserting in lieu thereof "county
24 agricultural program executive committee provided for by
25 the Agricultural Act of 1948".

1 (f) *By striking out of section 385 "or loan" and in-*
 2 *serting in lieu thereof "loan, or price support operation".*

3 *UTILIZATION OF LOCAL ORGANIZATION IN CARRYING OUT*
 4 *THE AGRICULTURAL ADJUSTMENT ACT OF 1938*

5 *SEC. 308. Section 388 of the Agricultural Adjust-*
 6 *ment Act of 1938 is amended to read as follows:*

7 *"SEC. 388. In carrying out the provisions of this Act*
 8 *the Secretary is directed to utilize the State agricultural*
 9 *councils and community and county agricultural program*
 10 *committees and executive committees created pursuant to the*
 11 *Agricultural Act of 1948; and the local administrative areas*
 12 *and local and county committees referred to in this Act shall*
 13 *be the local administrative areas and the community and*
 14 *county agricultural program committees and executive com-*
 15 *mittees provided for by the Agricultural Act of 1948."*

16 *TOBACCO*

17 *SEC. 309. Section 312 (a) of the Agricultural Adjust-*
 18 *ment Act of 1938 is amended by inserting before the period*
 19 *at the end of the first sentence a colon and the following:*
 20 *"Provided, That the Secretary shall proclaim a national*
 21 *marketing quota for each marketing year for each kind of*
 22 *tobacco for which a national marketing quota was proclaimed*
 23 *for the immediately preceding marketing year, and shall pro-*
 24 *claim a national marketing quota for Virginia sun-cured*
 25 *tobacco for each marketing year for which a quota is pro-*

1 claimed for fire-cured tobacco, and, beginning on the first
 2 day of the marketing year next following and continuing
 3 throughout such year, a national marketing quota shall be
 4 in effect for the tobacco marketed during such marketing
 5 year.”

6 TITLE IV—MISCELLANEOUS

7 SECTION 32 FUNDS

8 SEC. 401. Section 32, as amended, of the Act entitled
 9 “An Act to amend the Agricultural Adjustment Act, and
 10 for other purposes”, approved August 24, 1935 (U. S. C.,
 11 title 7, sec. 612c), is amended by adding at the end thereof
 12 the following: “The sums appropriated under this section
 13 shall, notwithstanding the provisions of any other law, con-
 14 tinue to remain available for the purposes of this section
 15 until expended; but any excess of the amount remaining
 16 unexpended at the end of any fiscal year over \$300,000,000
 17 shall, in the same manner as though it had been appropriated
 18 for the service of such fiscal year, be subject to the provisions
 19 of section 3690 of the Revised Statutes (U. S. C., title 31,
 20 sec. 712), and section 5 of the Act entitled ‘An Act making
 21 appropriations for the legislative, executive, and judicial ex-
 22 penses of the Government for the year ending June
 23 thirtieth, eighteen hundred and seventy-five, and for other
 24 purposes’ (U. S. C., title 31, sec. 713).”

1 *SEC. 402. Section 22 of the Agricultural Adjustment*
2 *Act of 1933, as added by section 31 of the Act of August*
3 *24, 1935 (49 Stat. 773), reenacted by the Agricultural*
4 *Marketing Agreement Act of 1937 (50 Stat. 246), as*
5 *amended, is hereby amended to read as follows:*

6 *“SEC. 22. (a) Whenever the President has reason to*
7 *believe that any article or articles are being or are practically*
8 *certain to be imported into the United States under such con-*
9 *ditions and in such quantities as to render or tend to render*
10 *ineffective, or materially interfere with, any program or*
11 *operation undertaken under this title or the Soil Conservation*
12 *and Domestic Allotment Act, as amended, or section 32,*
13 *Public Law Numbered 320, Seventy-fourth Congress, ap-*
14 *proved August 24, 1935, as amended, or any loan, purchase,*
15 *or other program or operation undertaken by the Depart-*
16 *ment of Agriculture, or any agency operating under its direc-*
17 *tion, with respect to any agricultural commodity or product*
18 *thereof, or to reduce substantially the amount of any product*
19 *processed in the United States from any agricultural com-*
20 *modity or product thereof with respect to which any such*
21 *program or operation is being undertaken, he shall cause an*
22 *immediate investigation to be made by the United States*
23 *Tariff Commission, which shall give precedence to investiga-*
24 *tions under this section to determine such facts. Such in-*

1 investigation shall be made after due notice and opportunity
2 for hearing to interested parties, and shall be conducted sub-
3 ject to such regulations as the President shall specify.

4 “(b) If, on the basis of such investigation and report
5 to him of findings and recommendations made in connection
6 therewith, the President finds the existence of such facts, he
7 shall by proclamation impose such fees not in excess of 50
8 per centum ad valorem or such quantitative limitations on
9 any article or articles which may be entered, or withdrawn
10 from warehouse, for consumption as he finds and declares
11 shown by such investigation to be necessary in order that the
12 entry of such article or articles will not render or tend to
13 render ineffective, or materially interfere with, any program
14 or operation referred to in subsection (a), of this section,
15 or reduce substantially the amount of any product processed
16 in the United States from any such agricultural commodity
17 or product thereof with respect to which any such program
18 or operation is being undertaken: Provided, That no procla-
19 mation under this section shall impose any limitation on the
20 total quantity of any article or articles which may be entered,
21 or withdrawn from warehouse, for consumption which re-
22 duces such permissible total quantity to proportionately less
23 than 50 per centum of the total quantity of such article or
24 articles which was entered, or withdrawn from warehouse,
25 for consumption during a representative period as determined

1 *by the President: And provided further, That in designating*
2 *any article or articles, the President may describe them by*
3 *physical qualities, value, use, or upon such other bases as he*
4 *shall determine.*

5 “(c) *The fees and limitations imposed by the President*
6 *by proclamation under this section and any revocation,*
7 *suspension, or modification thereof, shall become effective on*
8 *such date as shall be therein specified, and such fees shall*
9 *be treated for administrative purposes and for the purposes*
10 *of section 32 of Public Law Numbered 320, Seventy-fourth*
11 *Congress, approved August 24, 1935, as amended, as duties*
12 *imposed by the Tariff Act of 1930, but such fees shall not be*
13 *considered as duties for the purpose of granting any pref-*
14 *erential concession under any international obligation of the*
15 *United States.*

16 “(d) *After investigation, report, finding, and declara-*
17 *tion in the manner provided in the case of a proclamation*
18 *issued pursuant to subsection (b) of this section, any procla-*
19 *mation or provision of such proclamation may be suspended*
20 *or terminated by the President whenever he finds and pro-*
21 *claims that the circumstances requiring the proclamation or*
22 *provision thereof no longer exist or may be modified by the*
23 *President whenever he finds and proclaims that changed*
24 *circumstances require such modification to carry out the*
25 *purposes of this section.*

1 “(e) Any decision of the President as to facts under
2 this section shall be final.

3 “(f) No proclamation under this section shall be enforced
4 in contravention of any treaty or other international agree-
5 ment to which the United States is or hereafter becomes a
6 party.”

7 “PARITY”—OTHER STATUTES

8 SEC. 403. (a) Section 2 (1) of the Agricultural
9 Adjustment Act, as reenacted and amended by the Agri-
10 cultural Marketing Agreement Act of 1937, is amended to
11 read as follows:

12 “(1) Through the exercise of the powers conferred upon
13 the Secretary of Agriculture under this title, to establish and
14 maintain such orderly marketing conditions for agricultural
15 commodities in interstate commerce as will establish, as the
16 prices to farmers, parity prices as defined by section 301
17 (a) (1) of the Agricultural Adjustment Act of 1938.”

18 (b) Section 8c (18) of the Agricultural Adjustment
19 Act, as reenacted and amended by the Agricultural Marketing
20 Agreement Act of 1937, is amended to read as follows:

21 “(18) The Secretary of Agriculture, prior to prescrib-
22 ing any term in any marketing agreement or order, or
23 amendment thereto, relating to milk or its products, if such
24 term is to fix minimum prices to be paid to producers or

1 associations of producers, or prior to modifying the price
2 fixed in any such term, shall ascertain the parity prices of
3 such commodities. The prices which it is declared to be the
4 policy of Congress to establish in section 2 of this title shall,
5 for the purposes of such agreement, order, or amendment,
6 be adjusted to reflect the price of feeds, the available sup-
7 plies of feeds, and other economic conditions which affect
8 market supply and demand for milk or its products in the
9 marketing area to which the contemplated marketing agree-
10 ment, order, or amendment relates. Whenever the Secretary
11 finds, upon the basis of the evidence adduced at the hearing
12 required by section 8b or 8c, as the case may be, that
13 the parity prices of such commodities are not reason-
14 able in view of the price of feeds, the available supplies of
15 feeds, and other economic conditions which affect market
16 supply and demand for milk and its products in the market-
17 ing area to which the contemplated agreement, order, or
18 amendment relates, he shall fix such prices as he finds will
19 reflect such factors, insure a sufficient quantity of pure and
20 wholesome milk, and be in the public interest. Thereafter,
21 as the Secretary finds necessary on account of changed cir-
22 cumstances, he shall, after due notice and opportunity for
23 hearing, make adjustments in such prices.”

24 (c) Section 8c (17) of the Agricultural Adjustment

1 *Act, as reenacted and amended by the Agricultural Market-*
2 *ing Agreement Act of 1937, is amended by striking out "and*
3 *section 8e".*

4 *(d) Section 8e of the Agricultural Adjustment Act, as*
5 *reenacted and amended by the Agricultural Marketing Agree-*
6 *ment Act of 1937, is repealed.*

7 *(e) Section 4 of the Agricultural Marketing Agree-*
8 *ment Act of 1937, as amended, is amended by inserting*
9 *after the section designation the subsection designation "(a)"*
10 *and by adding at the end thereof a new subsection to read*
11 *as follows:*

12 *"(b) Any program in effect under the Agricultural*
13 *Adjustment Act, as reenacted and amended by this Act,*
14 *on the effective date of section 403 of the Agricultural Act*
15 *of 1948 shall continue in effect without the necessity for*
16 *any amendatory action relative to such program, but any*
17 *such program shall be continued in operation by the Secre-*
18 *tary of Agriculture only to establish and maintain such*
19 *orderly marketing conditions as will tend to effectuate the*
20 *declared purpose set out in section 2 or 8c (18) of the*
21 *Agricultural Adjustment Act, as reenacted and amended by*
22 *this Act."*

23 *(f) All references in other laws to—*

24 *(1) parity,*

25 *(2) parity prices,*

1 (3) prices comparable to parity prices, or
 2 (4) prices to be determined in the same manner
 3 as provided by the Agricultural Adjustment Act of 1938
 4 prior to its amendment by this Act for the determination
 5 of parity prices,
 6 with respect to prices for agricultural commodities and
 7 products thereof, shall hereafter be deemed to refer to parity
 8 prices as determined in accordance with the provisions of
 9 section 301 (a) (1) of the Agricultural Adjustment Act
 10 of 1938, as amended by this Act.

11 COMMODITY CREDIT CORPORATION CONTINUED AS AGENCY
 12 OF THE UNITED STATES

13 SEC. 404. The first sentence of subsection (a) of section
 14 7 of the Act approved January 31, 1935 (49 Stat. 4), as
 15 amended, is amended by striking out "June 30, 1948" and
 16 inserting in lieu thereof "June 30, 1949".

17 EFFECTIVE DATE

18 SEC. 405. This Act shall take effect on January 1, 1949,
 19 except that sections 402 and 404 shall take effect upon
 20 the enactment of this Act.

Passed the House of Representatives June 12, 1948.

Attest: JOHN ANDREWS,
 Clerk.

Passed the Senate with amendments June 17 (legisla-
 tive day, June 15), 1948.

Attest: CARL A. LOEFFLER,
 Secretary.

80TH CONGRESS
2D SESSION

H. R. 6248

AN ACT

To authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 17 (legislative day, JUNE 15), 1948

Ordered to be printed with the amendments of the
Senate

there was politics in Mr. Truman's message returning the billion-dollar social-security measure, it was politics of the best sort: it served to dramatize for the country an issue far greater than the issue involved in the provision of funds for an important Federal agency. The action of Congress in overriding the veto roughshod was politics of the worst sort; it was dictated more by a desire for adjournment than by any consideration of the national interest.

One need not even take into account the merits of the legislation which Congress attached to the social-security appropriation to agree with President Truman that it is not "in the interest of good government that legislation of such importance should be enacted in such a manner." It was enacted, as he said, "entirely without reference to or hearing by the legislative committees concerned with such matters." And what is even more disquieting is the plain fact that it was enacted designedly in such a way as to make extremely difficult, if not actually to nullify, exercise of the President's constitutionally conferred veto power. It took rare courage as well as statesmanship for Mr. Truman to run the hazard of leaving the Social Security Administration without funds.

What Mr. Truman did was, as he called it, "unusual," but it was not unprecedented. In 1879 and 1880, during the administration of Rutherford B. Hayes, an attempt was made by Congress to impose its will on the President through just this technique of appending legislation to a vital appropriation. President Hayes denounced it as involving "a radical, dangerous, and unconstitutional change in the character of our institutions," destroying the constitutional distribution of powers among the coordinate branches of the Government. He had this to say on the subject:

"To say that a majority of either or both of the Houses of Congress may insist on the approval of a bill under the penalty of stopping all of the operations of the Government, for want of the necessary supplies, is to deny to the Executive that share of the legislative power which is plainly conferred by the second section of the seventh article of the Constitution. It strikes from the Constitution the qualified negative of the President."

In the controversy of that time, President Hayes persisted in vetoing the obnoxious bills until his opponents on the Hill, who could not manage to muster the votes necessary to override him, were at last compelled to yield and separate the appropriations from the riders. President Truman, unfortunately, has not had such support even from the members of his own party. But it is not impossible that he will win it from the country if Congress continues to behave so irresponsibly. Taking the fight between himself and Congress to the people, he is justified in saying, at least on this particular issue, that he has done, as he put it, his "damndest." And this is something the people of the United States are prone to respect.

LONG-RANGE AGRICULTURAL PROGRAM

The Senate resumed the consideration of the bill (S. 2318) to provide for a coordinated agricultural program.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Kentucky [Mr. COOPER] for himself and his colleague [Mr. BARKLEY] to Senate bill 2318.

Mr. COOPER obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield to me so I may suggest the absence of a quorum.

Mr. COOPER. I yield for that purpose.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answer to their names:

Alken	Hatch	O'Daniel
Baldwin	Hawkes	O'Mahoney
Ball	Hayden	Pepper
Barkley	Hickenlooper	Reed
Brewster	Hill	Revercomb
Bricker	Hoey	Robertson, Va.
Bridges	Holland	Robertson, Wyo.
Brooks	Ives	Russell
Buck	Johnson, Colo.	Saltanstall
Butler	Johnston, S. C.	Smith
Byrd	Kem	Sparkman
Cain	Kilgore	Stennis
Capehart	Langer	Stewart
Capper	Lucas	Taft
Chavez	McCarthy	Taylor
Connally	McClellan	Thomas, Okla.
Cooper	McFarland	Thye
Cordon	McGrath	Tobey
Donnell	McKellar	Tydings
Downey	McMahon	Umstead
Dworshak	Magnuson	Vandenberg
Eastland	Malone	Watkins
Ecton	Martin	Wherry
Ellender	Maybank	White
Feazel	Millikin	Wiley
Ferguson	Moore	Williams
Flanders	Morse	Wilson
Fulbright	Murray	Young
Green	Myers	
Gurney	O'Connor	

Mr. WHERRY: I announce that the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Indiana [Mr. JENNER], and the Senator from Massachusetts [Mr. LODGE] are necessarily absent.

The Senator from California [Mr. KNOWLAND] is absent by leave of the Senate.

Mr. LUCAS. I announce that the Senator from Georgia [Mr. GEORGE] is absent because of a death in his family.

The Senator from Nevada [Mr. McCARRAN] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having been appointed a national delegate by the President to the annual conference of the International Labor Organization, meeting in San Francisco, Calif.

The PRESIDENT pro tempore. Eighty-eight Senators have answered to their names. A quorum is present.

ORDER FOR CONSIDERATION OF THE CALENDAR TOMORROW

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. WHERRY. I should like to propose a unanimous-consent request. I ask unanimous consent that upon the convening of the Senate tomorrow, June 18, 1948, the Senate proceed to the consideration of bills on the calendar to which there is no objection, beginning with Order 1504. I might state that that is the calendar number where we left off when the oleomargarine bill was under consideration.

Mr. BARKLEY. Mr. President, does that mean that the calendar will not be called today?

Mr. WHERRY. That is correct. The reason I make the request now is that several Senators have asked me when the calendar is to be called. It was my idea not to have a call of the calendar until we conclude consideration of the farm legislation. It now appears that there

will be considerable debate and discussion of the pending bill. I felt that Senators would like to know definitely when the calendar will be called.

Mr. RUSSELL. Mr. President, would the Senator mind repeating his request? I was engaged in conversation.

Mr. WHERRY. I ask unanimous consent that upon the convening of the Senate tomorrow, June 18, 1948, the Senate proceed to the consideration of bills on the calendar to which there is no objection, beginning with Order No. 1504. That is the bill following the oleomargarine bill, where we left off the last time the calendar was called.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. RUSSELL. Under that order would a motion be in order to proceed to the consideration of a bill if objection were lodged against it?

The PRESIDENT pro tempore. It would not.

Is there objection to the request of the Senator from Nebraska? The Chair hears none, and the order is made.

Mr. WHERRY. Mr. President, I should like to make a further announcement. It is our intention to remain in session tonight until as late as an hour as necessary to conclude consideration of the unfinished business.

Mr. RUSSELL. Mr. President, what will be done with appropriation bills?

Mr. WHERRY. As fast as appropriation bills are ready, I shall ask the distinguished Senator from Vermont [Mr. AIKEN] to help us out in getting them passed so that they may go to conference.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. PEPPER. If I may have the attention of the acting majority leader, I did not object a moment ago when the decision was being made to wait until tomorrow for a call of the calendar. However, I think we should understand that if we wait until tomorrow to call the calendar, there is hardly any possibility that there could be a conference in case of disagreement between the two Houses on any measure passed on the call of the calendar. I am very much interested in a certain bill, with respect to which there may be disagreement between the two Houses on the Senate committee recommendation. I have heard other Senators make the same point. I wonder if we could not reconsider that decision and find some time during today to call the calendar for the consideration of bills to which there is no objection, so that there will be a possibility of conference in case of disagreement.

Mr. WHERRY. Mr. President, I deeply appreciate the constructive observation made by the Senator from Florida; but of course his argument would also apply to the farm bill. I have taken this question up with the distinguished Senator from Vermont, who has been most patient about displacing the farm bill for other legislation.

The difficulty arose because we did not complete the call of the calendar when it was called day before yesterday. In the meantime we have considered a number of privileged matters. We are now back on the farm bill. I appreciate the fact that the Senator from Florida did not make objection. If the distinguished Senator will allow us to proceed, I am sure that conferences can be arranged, and that there will be an opportunity for the conferees to report back, even though we must remain in session late Saturday night. I am sure that bills which go to conference will have a chance.

Mr. PEPPER. I wonder if we could not leave it to the discretion of the able acting majority leader to take up the calendar before the close of this day, after the disposition of the farm bill, if there is an opportunity. I mention that for this reason: I am told that in case of disagreement a long time is required, in the present state of congestion in the Printing Office, to get the printed reports necessary to make a conference possible. So we would at least have the intervening hours in which the Printing Office could prepare the necessary papers in case of disagreement between the two Houses.

Mr. WHERRY. I took that question up with the Printing Office. While we might gain a little time, yet very little time would be gained if we were to call the calendar late tonight. It is my definite opinion that unless a miracle happens, consideration of the agricultural program will continue until pretty late tonight. If the bill should go over, it will be temporarily displaced under the unanimous-consent order. I believe that is about as fair a compromise as we could get between the distinguished Senator from Vermont and Senators who are interested in other bills on the calendar.

Mr. PEPPER. I did not have in mind a call of the calendar preceding consideration of the farm bill; but I did want the acting majority leader not to commit himself and the Senate to the assumption that there would not be a call of the calendar if the situation permitted it during the day.

Mr. WHERRY. Mr. President, it is better to have a set time. Then Senators may know when the calendar will be called. Furthermore, only bills which meet the approval of the Senate will be passed. One Senator may object to a bill, which will cause the bill to go over. A bill which passes the Senate unanimously should not have much difficulty in conference. I believe that the printing item would be a minor consideration, even if the call of the calendar could not be reached this afternoon.

Mr. PEPPER. Mr. President, I should like to make a further observation. Yesterday I talked with the clerk of one of the House committees. He told me about the congestion in the Printing Office. He stated that there could not possibly be a conference on a disagreement between the two Houses unless a certain number of hours intervened, so that the Printing Office would have an opportunity to print the reports.

Mr. WHERRY. I am just as sure as I am of anything that consideration of the farm bill will not be concluded until late this evening. So far as conferences are concerned, I think they would be held tomorrow morning in any event. The Senator has offered a very constructive criticism in connection with the matter of printing. However, I believe that if we are permitted to proceed we can accomplish the purpose for which the calendar is called; and I believe that most of the conferees will cooperate in every way.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. RUSSELL. It is a matter of no great moment to me when the calendar is called; but I am sure the Senator is taking into consideration the fact that if the calendar is not called before tomorrow morning, it will mean the death of any Senate bill on the calendar, whereas if the calendar were called today, there might be a chance of its enactment.

Mr. WHERRY. Did the Senator say that it would mean the death of any Senate bill on the calendar?

Mr. RUSSELL. It would mean the death of any Senate bill to which there was the slightest objection, if the calendar were not called until tomorrow.

Mr. WHERRY. We shall encounter that difficulty whenever it is called. I am quite satisfied that if we proceed under this order, consideration of bills on the calendar will be as greatly expedited as though we had a call of the calendar tonight.

Mr. THYE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. THYE. I suggest that if we proceed with the business before the Senate, we shall probably have time to work on the calendar before the day is over.

LONG-RANGE AGRICULTURAL PROGRAM

The Senate resumed the consideration of the bill (S. 2318) to provide for a coordinated agricultural program.

Mr. COOPER. Mr. President, I know that many Senators are busy today in committees, and I cannot expect that too many will be present at all times during the discussion of my amendment. However, I hope that Senators who come from tobacco-producing States will remain, while my distinguished colleague [Mr. BARKLEY] and I discuss this amendment.

The amendment proposed by my colleague and myself reads as follows:

(5) Notwithstanding the foregoing provisions of this section, the level of price support to cooperators for any crop of tobacco for which marketing quotas are in effect shall be 90 percent of its parity price as of the beginning of the marketing year.

The effect of the amendment is to remove tobacco from the list of commodities which will be subject to the price-support table found on page 79 of the pending bill, which table has been characterized as a flexible or moving price-support plan, in which the level of support afforded to a specific commodity

varies, and to give tobacco a definite, fixed support price equal to 90 percent of its parity price.

I know that this amendment will provoke, very naturally and rightfully, certain questions. It will be asked, Why should tobacco be treated differently than other agricultural commodities? Why should tobacco be guaranteed a fixed, firm support price equal to 90 percent of its parity price, when the support price of other commodities ranges between 60 and 90 percent of parity?

Mr. President, my colleague and I ask—and I know we shall be joined by others who are familiar with the problems of tobacco—that this amendment to the pending bill be adopted because the conditions under which tobacco is produced, its limited use as a raw, unprocessed product, and—and this is most important—the conditions under which it must be marketed, operate to make its sale entirely different from that of every other agricultural commodity.

It is my contention, and one which I believe is supported by the facts, that the unusual conditions under which tobacco is produced and marketed, when coupled and this is the most important fact in the argument—with the usually limited field of buyers, operate to give a dominant bargaining position to the limited field of buyers representing the major tobacco companies, and to deprive the producer of tobacco of a free market, in the sense that a market is enjoyed by the producers of other agricultural commodities. We contend that in this limited market, the buyer pays a price which is not necessarily or always related to the law of supply and demand, but is fixed by the maximum amount the buyers must pay to get the tobacco, which in reality is the support price. For this reason we argue that the support price should be fixed at 90 percent of parity. If it means a lower percentage, prices will decline as the support price declines.

Mr. President, tobacco is a cash crop. A year's labor, nearly all of which is hand labor once the seed is sowed in the tobacco bed, is required to cultivate and market the crop. I doubt that Senators who do not live in tobacco-producing States realize that it takes a year, and sometimes more than a year, to cultivate a crop of tobacco from the time the seed is sowed in the tobacco bed, until the tobacco is sold upon the market.

Mr. BARKLEY. Mr. President, will my colleague yield to me?

Mr. COOPER. I yield.

Mr. BARKLEY. It has long been a common saying in the tobacco-growing areas that it takes 13 months out of every 12 to grow a crop of tobacco.

Mr. COOPER. Yes; it is very true, that there is a common saying in our State that, it takes 13 months out of every 12 to produce a tobacco crop. In the production of a tobacco crop, practically every process is by hand labor—hard, back-breaking labor.

Due to the peculiar characteristics of tobacco, it must be sold in the year in which it is produced. Other crops can be held waiting for a good market; but tobacco must be sold on a short marketing season of 3 or 4 months, in the year

in which it is produced. This is true because of inadequate marketing facilities and because the tobacco would deteriorate substantially.

Moreover—again different from other crops—tobacco cannot be marketed except as tobacco. The producer of corn or wheat can market his crop by feeding it to cattle or hogs, but the tobacco producer must sell his crop as tobacco, and nothing else.

Furthermore, when the tobacco grower is ready to sell his crop, he cannot take it to his county seat and find there several buyers, but he must take it to the place where a tobacco warehouse is located, and there it must be auctioned and sold in a strange language—familiar to you from radio programs—to one of a limited group of tobacco buyers, representing the large tobacco companies.

Unless the representatives of the tobacco companies are there, the tobacco producer cannot sell his crop. In Kentucky and other tobacco-producing States warehouses are not built merely to accommodate the producers of tobacco; they cannot be built unless prior to their building there is an agreement, a strong reason to believe that the large tobacco companies will send their representatives to the market. Tobacco warehouses have been built in my State and, I am sure, in other States, with the purpose of accommodating the tobacco producers of the section, and then never used, because representatives of the large tobacco companies would not send their buyers to the new warehouse.

The tobacco farmer must take his crop to the place where the representatives of the great tobacco manufacturers of tobacco will come to buy his crop. Unless the representatives are there, the tobacco farmer cannot sell his tobacco. The farmer who has spent a year in back-breaking toil to produce a crop of tobacco, which is his cash crop and his principal source of income, and who has hauled it, 50 to 100 miles to a warehouse, knows that he must sell his tobacco to one of the few buyers, or else lose his year's labor. Can it be doubted that the buyers know that the farmer must sell or lose the work of a year?

I do not wish to base my argument upon unjustified criticism or attack upon the great tobacco companies who are the principal buyers; they perform a valuable service. Nevertheless I must emphasize the dominant position they hold in the tobacco market against the single producer of tobacco. In 1940 the buying methods of the several large tobacco companies were subjected to inquiry in an action brought by the Department of Justice alleging violation of the Sherman Antitrust Act. In that prosecution, the defendants—the American Tobacco Co., the Liggett & Myers Tobacco Co., the R. J. Reynolds Tobacco Co., American suppliers and certain subsidiaries—were charged with having conspired to violate the Antitrust Act. The defendants were convicted in the United States District Court in Kentucky; the case was appealed to the circuit court of appeals, where it was affirmed, and in 1945 the Supreme Court

of the United States affirmed the action of the lower courts in finding these companies guilty of conspiring to monopolize in the tobacco field. The opinion of the Supreme Court, rendered by Mr. Justice Burton, contains a table which demonstrates the dominating position of these great tobacco companies as purchasers of tobacco. There are listed nine companies that are the principal purchasers of tobacco at the markets which I have described. I quote from the opinion in the case of *American Tobacco Co. v. United States* (66 S. Ct. 1125), respecting the table:

The first table shows that, although American, Liggett, and Reynolds gradually dropped in their percentage of the national domestic cigarette production from 90.7 percent in 1931 to 73.3 percent, 71 percent, and 68 percent, respectively, in 1937, 1938, and 1939, they have accounted at all times for more than 68 percent, and usually for more than 75 percent, of the national production. The balance of the cigarette production has come from six other companies.

The point I make is that the thousands of small tobacco growers in the tobacco-producing States, arriving at the warehouses with their tobacco, find there as the only purchasers of their tobacco, three representatives of three great companies, representing at least 68 to 75 percent of the cigarette industry and sometimes a few others. One count of the indictment in the case to which I have referred stated in part as follows:

Said unlawful monopolization has had the effects, among others, of permitting a few companies to attain control of a bottleneck in a great industry—

Mr. STENNIS. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state the point.

Mr. STENNIS. I desire to raise the point of order that it is impossible for a Member of the Senate who is trying to hear and understand the argument being presented by the Senator from Kentucky, and who is seated within 12 or 14 feet of the speaker, to hear and understand what is said. I do not want to be personal, but persons at the rear of the Senate Chamber who are presumed to have the privilege of the floor are abusing that privilege by conversing, not only to my disturbance but also to the disturbance of other Senators. I desire to raise a most serious point of order, that the membership of the Senate are entitled to sit under conditions which enable them to follow the debate.

The PRESIDENT pro tempore. The Senator's point is well taken. Those at the rear of the Chamber will either be seated or retire. The Senate will be in order. The Senator from Kentucky may proceed.

Mr. COOPER. I thank my good friend the Senator from Mississippi. Repeating, the indictment, in part, stated:

Said unlawful monopolization has had the effects, among others, of permitting a few companies to attain control of a bottleneck in a great industry, through which a major farm commodity on which several million are dependent, must pass on its way through the hands of jobbers to retailers, to the many millions who use tobacco products * * * of enabling those few companies to abuse

their resulting strategic and dominant position by making the income of growers of leaf tobacco lower than it would otherwise have been.

I do not say or imply that these tobacco-products companies are now in violation of the antitrust laws as they were held to be at that time. I merely emphasize that nothing has happened since that time to equalize the bargaining position of the sellers with the buyers. I point out that in a market of this kind, limited as it is to a few powerful buyers, each of whom cannot fail to be familiar with the practices of the others, the effects described in the opinion of the Supreme Court would be substantially the same, without any agreement or conspiracy among the buyers.

I should like to ask those who are interested in other crops, such as corn, wheat, and cotton, What would they think if the thousands of people who produce those crops were forced and required to sell them to nine companies? Would they believe that they had a free market? Would an individual producer in some remote section of our farming sections have equal bargaining power with their representatives? If it can be visualized that the thousands of small producers of tobacco must channel their crops through this bottleneck, dominated by a few powerful companies it should not be difficult to see that a tobacco market is not a free market in the common sense of the term.

I offer the opinion, which is one shared by my constituents, who know every phase of tobacco growing, buying, and selling, that the Federal Government offers through its parity and support-price program the only substantial assurance the tobacco growers have that they will receive a reasonable price for their product. I realize it is difficult for Members of the Senate who do not live in tobacco-producing States and who are not familiar with tobacco to understand this problem. The Committee on Agriculture and Forestry is made up of the sincerest and most sympathetic friends of agriculture I have ever talked to in my life, yet they would be required to admit that the tobacco problem is unfamiliar to them.

Tobacco buyers know that to supply their needs they must bid at least as high as the support level. By the same token they need not bid prices substantially above the support level. The net result is that the price paid to a producer will follow the support price.

I may be asked whether I have proof that this situation obtains. I think there is proof. I point first to the close relationship of actual prices paid to farmers to support prices during the past 2 years.

In 1947 the average price received by burley tobacco growers was 48.3 cents a pound, which was 20 percent in excess of the support price of 40.3 cents. In 1946 the average price was 39.7 cents a pound, or 15 percent above the support level of 33.5 cents a pound. I wonder how many other farm commodities have been selling so relatively close to their support levels of 90 percent of parity. I do not think there are many.

A second evidence that the price which the representatives of the large tobacco companies pay to the farmer is tied closely to the support price is indicated in the failure of tobacco to reflect in like degree to other farm products the inflationary influences of the past few years, which brought wide advances in practically every other farm product.

The average price received for the 1947 crop by growers of burley tobacco, which variety is a major component in the manufacture of cigarettes, was 48.3 cents a pound, or only 18 percent more than the price of 39.4 cents paid for the 1945 crop, the last crop sold under OPA price control. It is unnecessary for me to remind the Senate of advances of 50 to 100 percent and more in prices of other farm commodities over the past 2 years. This small increase in price was given to growers in the face of unprecedented demand for tobacco products.

Sales of cigarettes have increased almost uninterruptedly over a period of years. Between 1920 and 1930 cigarette sales nearly doubled, from 67,000,000,000 to 119,000,000,000. Between 1930 and 1940 sales rose about 60 percent, to 191,000,000,000. On top of this prodigious growth, sales more than doubled again during World War II to reach 414,000,000,000 in 1945. A glance at the sales of the leading tobacco companies will show that they have had the major share of the benefits of this spectacular record of industry growth. Certainly this unprecedented demand has not been reflected in an increase in price paid to the men and women who harvest a crop whose production requires 12 months.

Out of the total value of consumer expenditures for tobacco products the Federal Government and State governments take, in taxes, 43 percent; the producer takes 15½ percent; the remainder goes to the great tobacco companies. If the Senate will remember that sufficient tobacco to manufacture 414,000,000,000 cigarettes and other tobacco products must go from thousands of producers through a bottleneck of buyers representing from 6 to 10 major tobacco companies, it will have a clear understanding of the dominating influence of the buyers, which brings about in part this disparity between producer and processor.

We assert that the support price should be maintained at 90 percent of parity in order to give the individual grower some equality of bargaining power against the buyer. It may be asked, and rightfully so, if fixing the support at 90 percent will result in higher prices to the consumer. I do not believe it will. I am informed by the burley growers of my State that manufactured tobacco products are priced almost without reference to the cost of leaf tobacco. Statistics given me by the Bureau of Agricultural Economics are eloquent proof of that position.

In 1947 the retail value of 1 pound of tobacco converted into manufactured product was \$2.51. The farm value of 1 pound of tobacco was 39½ cents. The farmer's share in the pound of manufactured tobacco was 16.3 percent. These

figures are those of a year when 90-percent parity was in effect, and its maintenance certainly should not increase consumer prices.

Another question which will be asked is, "Will the maintenance of a 90-percent support price for tobacco make it probable that at some time in the future the Commodity Credit Corporation will be required to take in loans large quantities of tobacco and make large outlays of money?" I point out, first, that the demand for and sale of tobacco are not diminishing; they are expanding at home. As Europe recovers there will undoubtedly be a revival of large tobacco exports. Before the war a large volume of tobacco was exported which represented considerable proportion of the total production of tobacco. I think it is reasonable to believe that as conditions improve foreign demand will increase. The expanding consumption of tobacco products at home and abroad make overproduction unlikely.

In 1939, 22 percent of the flue-cured tobacco was exported; 39 percent of fire-cured dark tobacco was exported; 2½ percent of burley tobacco was exported.

Tobacco is now, and has been for several years, under an effective quota system which limits production. If tobacco were not under a quota system and there were a high support price, it would be probable that overproduction would follow, resulting in a heavy financial burden upon the Government. But I point out that for several years there has been, effective marketing quotas for tobacco which have limited the production of individual tobacco growers and prevented overproduction.

The committee report states as follows:

It has been demonstrated that fixed price supports for farm products without reference to supplies of products, have encouraged the producer to continue to expand production without regard for the demand for his products.

That comment could not apply to tobacco, because its production is limited by quotas which are fixed with regard to supply and demand. If there should be overproduction this year, or any year, the marketing quota can and should be reduced and the penalties applied by the bill to noncooperators would become effective to prevent overproduction. The best evidence of the effectiveness of the quota system in limiting production is found in its record. It has been in effect since 1938, with the exception of the year 1939. At present there is a comparatively small amount of tobacco in loan. During 3 of the 8 years in which it has been in effect the tobacco manufacturers absorbed the entire burley crop, anticipating no recourse whatever to Government loans. In 3 of the remaining 5 years amounts ranging from 1.6 percent to 6.2 percent of the crop went under loans, which were rapidly liquidated, with no loans in the immediately succeeding year. In 1947 only 5.1 percent of the crop went under loan, and this amount should be absorbed by the market during 1948. In only 1 year, 1946, was any substantial proportion of the burley crop taken under loan. It

was 133,000,000 pounds, or 21 percent of the crop.

Mr. President, sometimes when the question of the effectiveness of the quota system is raised, it is argued that in the year to which I have just referred it was necessary to take 21 percent of the crop in loan. But during the war tobacco growers had been encouraged to expand production, to supply the needs of our armed forces, and of our allies. It was the inducement to produce tobacco extended by the Government during the war years that resulted in the overproduction in 1946.

About 50 percent of the large takings of 1946 has been sold under the quota system with actually no loss. With tight acreage control, a safeguard is provided against the necessity of large support buying at any time except under extraordinary conditions such as those caused by war or collapse of export markets, which cannot be anticipated.

It is true that the collapse of export markets, upon which certain types of tobacco depend, resulted in accumulation of these varieties. At present 335,000,000 pounds of these types, costing \$127,000,000, are held under loan. But the size of these accumulations has little reference to the percentage of parity at which support was provided. Government loans on these export varieties would have been necessary at any support price. The exercise of quota control, however, combined with revival of exports, will correct this situation in time.

Mr. President, I should like to address myself for a few moments to the importance of tobacco, to the economy of many States. It is of vital importance to the tobacco producing States. The total value of the crop in 1946 was \$1,045,633,000. I do not have the figures for 1947, but I know the value was much larger in that year.

In 1946 its value, in terms of percentage of the total cash farm income of eight of the largest producing States, was as follows: North Carolina, 58 percent; Kentucky, 36 percent; South Carolina, 26 percent; Connecticut, 20 percent; Virginia, 18 percent; Tennessee, 13 percent; Georgia, 12 percent.

I should like to have inserted in the RECORD a statement giving the names of the States, the total cash farm income, the value of the tobacco, and the percentage.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD as follows:

State	Total cash farm income	Tobacco	Percent
North Carolina.....	\$753, 193, 000	\$436, 761, 000	58
Kentucky.....	439, 366, 000	159, 512, 000	36
South Carolina.....	316, 493, 000	83, 697, 000	26
Connecticut.....	126, 475, 000	25, 663, 000	20
Virginia.....	360, 600, 000	63, 022, 000	18
Tennessee.....	399, 579, 000	52, 844, 000	13
Georgia.....	408, 106, 000	48, 493, 000	12

Mr. COOPER. Mr. President, it is well known that tobacco is one of the great revenue producers of the Nation. Fed-

eral and State tax receipts from tobacco in 1947 amounted to \$1,482,535,000. I point out that that is larger than the total price paid to the farmers in 1946. The Federal tax receipts increased, from the year 1939 to 1947, from \$608,000,000 plus to \$1,237,000,000. State tax receipts increased, from 1939 to 1947, from \$58,000,000 plus to more than \$244,000,000. I send to the desk a statement of Federal and State tax receipts from tobacco and ask that it be inserted in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Federal tax receipts from tobacco products
Fiscal year:

1939-----	\$608,518,000
1941-----	698,065,000
1943-----	923,853,000
1946-----	1,165,519,000
1947-----	1,237,768,000

State tax receipts from tobacco products

Years ending June 30:

1939-----	\$58,970,000
1941-----	106,294,000
1943-----	140,761,000
1945-----	145,451,000
1946-----	199,392,000
1947-----	244,767,000

Total Federal and State tax receipts 1947----- 1,482,535,000

Mr. COOPER. Mr. President, I repeat, the percentage of Federal and State taxes of the total consumer expenditure for tobacco products represents approximately 43 percent of the consumer expenditures. I repeat, also, that out of these great consumer expenditures the producer's share is only 15.6 percent.

I should like to say that Senators from States whose agricultural economy is based upon corn or wheat or cotton know the importance of maintaining the price stability of those products. Similarly, the economy of my State and of other tobacco-producing States depends upon the price stability of tobacco. Tobacco is the great cash crop of those States. Sales are made in the late fall and winter and the farmer receives his money at a time when it is needed for the payment of taxes, interest, and debts. There is no other crop in those States which can take its place.

The farms are of small size. The average farm in Kentucky contains about 80 acres. It follows that it is not possible to engage in large grazing operations, or in the production of corn, wheat, or cotton upon a farm of that size.

The farming of these comparatively small farms is based upon tobacco production. Last year tobacco sales represented 52 percent of the farm income of my State.

If tobacco prices are driven down it is not usually possible to shift from tobacco to some other crop in an effort to recoup income lost when tobacco prices are reduced. Farmers can not shift from one type of tobacco to another type. I believe there are 28 types of tobacco, and the soil conditions of a particular State or a particular section of a State are suited for the growing of one or two types of tobacco. It is not possible, or at least profitable, to shift from flue-cured to burley, or from burley to fire-

cured tobacco, or dark air-cured tobacco. Each type is related to the qualities of the soil.

Now, Mr. President, this amendment which I offer should be agreed to.

First. Because the growing and marketing conditions of tobacco are peculiarly different from those of other crops.

Second. The amendment should be agreed to because the market of tobacco growers is limited, and dominated by powerful buyers.

Third. These powerful, dominant buyers are able to fix a price, not based upon demand, but upon the support price which we create.

Fourth. I point out that the adoption of the amendment will not increase consumer prices.

Fifth. The record of Government loans on tobacco indicates that the quota system has worked, and that support for tobacco at 90 percent of parity has not imposed heavy financial burdens upon the Federal Government.

Finally, I insist that the tobacco quota system is itself a control of overproduction, and the flexible support system is not needed to control tobacco production. Upon this ground my colleague Senator BARKLEY and I are justified in asking that the amendment be adopted.

Before I close I should like to say that for some weeks I have been discussing tobacco problems with the members of the Committee on Agriculture and Forestry of the Senate. The committee afforded the tobacco growers and industry every opportunity to present their case. Growers from my State and other States presented the case so clearly to the committee that the committee incorporated in the bill practically every provision other than 90-percent support which the growers requested.

The committee, its able chairman, Senator CAPPER, the able Senator from Minnesota [Mr. THYE], who withdrew the initial resolution, the distinguished Senator from Vermont [Mr. AIKEN] deserve great credit.

I have been very much interested in the long-range farm bill. I believe that this is the time for Congress to enact legislation which will assure a permanent farm program and stability of income for the farmers of the Nation. The bill will assume such protection to farmers, and I intend to vote for it and give it my full support. I am sure that the committee and the Members of the Senate will take into consideration the peculiar and unusual position of tobacco. I now ask the Senate to adopt the amendment which I have offered, guaranteeing to tobacco growers a permanent support price of 90 percent of parity.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House having proceeded to reconsider the bill (S. 110) to amend the Interstate Commerce Act with respect to certain agreements between carriers, returned by the President of the United States, with his objections, to the Senate, in which it originated, it was—

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 631. An act for the relief of the Allied Aviation Corp.;

H. R. 2239. An act to amend section 13 (a) of the Surplus Property Act of 1944, as amended; and

H. R. 3214. An act to revise, codify, and enact into law title 28 of the United States Code entitled "Judicial Code and Judiciary."

LONG-RANGE AGRICULTURAL PROGRAM

The Senate resumed the consideration of the bill (S. 2318) to provide for a coordinated agricultural program.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the junior Senator from Kentucky [Mr. COOPER] for himself and his colleague [Mr. BARKLEY].

Mr. BARKLEY. Mr. President, I presume the proponents of the amendment would have the right to conclude the argument upon it.

Mr. AIKEN. Mr. President, I thought probably the senior Senator from Kentucky desired to speak now. I can very quickly give the reasons why the amendment should not be adopted, and if the Senator from Kentucky so desires, I shall be glad to do so.

Mr. BARKLEY. Very well.

Mr. AIKEN. Needless to say I am opposed to the amendment. The junior Senator from Kentucky has given quite a severe indictment against the monopoly control of the tobacco buying. I believe I can agree with most of what he said on that subject, because when I was a small boy my father always raised tobacco, and I know how completely the tobacco producers were at the mercy of the tobacco buyers. The committee had that in mind when writing the bill.

I am somewhat surprised over the amendment which the Senators from Kentucky have offered, because the support had under S. 2318 is already more favorable to tobacco than any other commodity. I would not have been surprised if some Senator had perhaps criticized the committee for writing a bill to provide as high a level of support as we have provided. The reason we have done so is that we know how completely the tobacco grower is at the mercy of the buyers, and particularly foreign government monopolies. England and France can knock the props out from under the price of tobacco in the United States anytime they see fit to do so. For that reason I have been willing to maintain a high level of support for tobacco. That does not mean that we guarantee cost-plus in any way. But tobacco is one commodity, and wool is another commodity, which will receive somewhat higher support prices under the bill than they are receiving under the present law.

I should like to point out that in the bill we changed the parity formula, and as a result of changing the parity for-

mula the parity price of burley tobacco, which for the 1947 crop is 44.8 cents a pound under the present formula method of computing parity, would increase to 48.8 cents a pound under the proposed formula.

Under the present law the 1947 crop of burley tobacco is supported at 90 percent of 44.8 cents a pound, which is 40.32 cents a pound.

Under Senate bill 2318 it would be supported at 84 percent of 48.8 cents a pound, or 41 cents a pound. Therefore the pending bill would provide a level of support of 41 cents a pound for burley tobacco. It gives about the same increase also to flue-cured tobacco.

Flue-cured and burley tobacco are two farm commodities which will fare better under the pending bill than they fare under the present law. I think that next year the support level will increase still further, and possibly for 2 or 3 years; but in the long run, of course, tobacco will have to assume its relationship to other agricultural commodities. It may stay high for many years. It may stay high for 20 years. No one can foresee that. But for the next 2 or 3 years the support price for burley tobacco, for flue-cured tobacco, for fire-cured tobacco, and I think all kinds of tobacco, will be a little higher than under the present law.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. AIKEN. Yes; I yield.

Mr. LUCAS. Am I correct in saying that the amendment offered by the Senator from Kentucky is the A amendment which seeks to make mandatory a 90 percent of parity price at the beginning of the marketing year?

Mr. AIKEN. The Senator is correct. The amendment requests special privilege for a single agricultural commodity.

Mr. LUCAS. That is exactly the point I want to raise. Why should the Senate undertake to adopt amendments of this kind which select particular commodities and give them preference over every other commodity in the bill?

Mr. AIKEN. The Senate should not adopt any such amendment.

Mr. LUCAS. Of course, if this is to be done for tobacco it will be the beginning of more or less of a substitution of the Steagall theory of price support for all basic and nonbasic commodities on a 90-percent mandatory provision, which is right in the teeth of the long-range program which the Senator has been discussing.

Mr. AIKEN. It would mean the start of the break-down of the program before the program got under way.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. FERGUSON. Would not the effect of the amendment be to place tobacco on a special list so that it would not be necessary to take into consideration the amount of tobacco on hand, as must be done in connection with other commodities?

Mr. AIKEN. It would leave no restrictions other than those which are in force today.

Mr. FERGUSON. And there would not be a lowering and a raising of the

support price compared to parity if the amendment went into effect. The support price would stay at one point.

Mr. AIKEN. As compared to parity.

Mr. FERGUSON. Yes.

Mr. AIKEN. Under the proposed amendment it would remain at 90 percent of parity. And let me point out that any special privilege given a single commodity would mean that something would have to be taken away from some other commodity under the bill.

Mr. FERGUSON. That would be true because of the cost that may be involved. Is that not correct?

Mr. AIKEN. That is true. I think tobacco is entitled to some special consideration because the price is governed so largely by foreign government monopolies, and domestic buyers are no slouches when it comes to organizing to hold the price down. What the Senator from Kentucky [Mr. COOPER] said about that is exactly correct. For that reason the tobacco producers are entitled to a good support level. They are receiving a splendid support level under Senate bill 2318, and the support will continue for some years into the future under the provisions of the act.

Mr. BARKLEY. Mr. President, I hesitate to consume the time of the Senate, but I am joint author, with my colleague, of this amendment, and I am very much interested in seeing it adopted.

My colleague has given a graphic picture of the process of producing tobacco, which does not apply to any other crop. I do not know whether he was actually raised in a tobacco patch. I was. From the time when I could shoulder an ax or pull one end of a cross-cut saw, my father took me to the woods and we cleared the land which we proposed to cultivate in tobacco the following summer.

I have facetiously referred to the old saying in the tobacco section that it requires 13 months out of every 12 to grow a crop of tobacco. That grows out of this situation: The farmer who is going to produce tobacco must, early in the winter, make what is called a plant bed. That is a bed in the earth, produced by the burning of logs, brush, or wood in some form, so as to kill all vegetation and plant life which might choke the growth of the tender tobacco plant when the seed is finally sown and the plant comes up through the ground. That requires the clearing of land. It requires the laying off of a bed, the size of which the farmer himself determines. When I was a boy on the farm it required the piling of logs, augmented by brush from trees, and the building of fires to burn out the vegetation. It required the pulverization of the soil by hoe, rake, pick, and every other utensil that would break up the ground into very fine particles.

Then the seed must be sown. Before the seed come up, canvas must be put over it so that insects and bugs will not eat the plants after they have come up through the ground. Then the plants must be pulled one by one from the plant bed and transferred to the field. In the meantime the soil of the field must be carefully prepared by the same process of pulverization, except that

there is no fire to kill out the vegetation which might compete with the growth of the tobacco plant.

When there is a rainy season, or when the ground is moistened, at the proper time the plants are drawn from the bed by hand and are set out into the field by hand. A horse-drawn vehicle has been invented by which tobacco may be planted a row or two at a time. There is a little attachment permitting the soil to be moistened at the time the tobacco is planted, so that it will not suffer from dry weather. However, the average farmer does not possess that sort of equipment.

The plant must then be hoed by hand. It must be plowed with a team and plow. Every process, every step taken in the production of tobacco, is a hand process. There is no machinery by which it can be handled like wheat. There is no machinery like the cotton picker, by which it can be harvested. There is no machinery corresponding to the corn planter.

The tobacco must be cut by hand, each stalk by itself. The stalk is split with a knife, and it is then cut off and hung up. If it is a burley crop, it is hung in the field or in an open barn where it is cured by air. If it is dark fired, it is hung in a barn, packed as closely as possible so as to retain the smoke and heat, and it must be cured by a fire built under the tobacco as it hangs in the barn for several days. It frequently requires an all-night process of watching the fire and the tobacco for a week or 10 days until it is cured. If it is flue-cured tobacco, it requires the same process of firing, but the smoke and heat go through the flue, and the tobacco is cured in that way. There is no machinery by which tobacco can be successfully produced. So it is really a hand-grown, hand-cultivated, hand-processed crop from beginning to end.

When it is hung in the barn and has been cured either by air or fire, or by the flue-cured process, which is really a fire process, it must be stripped. Every leaf of tobacco must be pulled from the stalk by hand. There is no machinery by which that can be done. The leaves are tied together in what is called a "hand," which is made up from 6 to 10 leaves, with the butt ends together. Then they are wrapped with another leaf which has been folded into a little wrapper about as wide as my two fingers. Then it is bulked and hung back in the barn until dried out, in dry weather. Frequently it is bulked down in the barn or warehouse so that it may retain its moisture in bulk, thereafter to be hauled to market. It is frequently prized into a hogshead. All this is a long process. It is very difficult. That is what gives rise to the expression that 13 months out of every 12 are required to grow a crop of tobacco and market it.

All my life I have been familiar with the growth and marketing of tobacco. My father was a farmer, largely a tobacco farmer. I have seen the process by which sales take place. I can remember the time when tobacco buyers,

representing the companies which were processing or rehandling tobacco, or speculating in tobacco, would send their men around on horseback to every barn and take samples out of the barn and make an offer for the tobacco. The situation finally reached the point where the territory was divided, so that no competitor went into a given territory to compete with someone else. When the buyer came along and sampled the crop and offered the farmer a certain price, if he did not take that price no other buyer would come around. The buyers had an arrangement under which they would not go across the road to buy a farmer's tobacco if it were in the territory of a competitor to whom that farm had been allocated. All the farms in the territory or county were allocated.

That gave rise to the organization of farmers to hold their tobacco, if possible, until they could get a decent price. It has given rise to the organization of cooperative marketing associations.

No doubt Senators have heard the auction system exemplified over the radio. The tobacco auctioneer or chanter goes through the tobacco warehouses looking at one basket and another, and offering a price which no one can understand until the tobacco is knocked down, and the producer is informed by a slip of paper how much he gets. The farmer cannot understand the chant of the auctioneer. I cannot imitate it. I would not attempt to do so. A few years ago there was a Member in the House of Representatives from Kentucky who could imitate it.

Senators will remember the final wind-up of the auctioneer on the radio program, in which various prices are announced, none of which can be understood. Finally the tobacco is knocked down, and the announcer says, "Sold, American." The Member of the House to whom I refer imitated the chant, and finally wound up by saying, "Stolen by American." That was his interpretation of the chant, and that is frequently the case.

I am giving these facts because tobacco occupies an entirely different status from that of any other crop in America. The production and marketing of tobacco is all hand work, from beginning to end. Unless the farmer belongs to a cooperative, and the cooperative is able to take the tobacco and hold it until either the big corporations—the Big Four—are willing to buy it, or the Government will make a loan upon it to enable the cooperative representing the farmers to hold it, he has no voice in the price which he receives for his crop. That has been one of the great troubles in regard to tobacco; it applies to other crops also, but not to such an extent to many others as it does to tobacco, because the market for tobacco has always, in spite of indictments and convictions, been restricted, and it is now restricted. The farmer has no real voice in that market. Of course, he can refuse to sell the tobacco, but he is not guaranteed that he ever will be able to sell it again or will be able to get a better price for it, unless he is a member of a cooperative, which can hold his tobacco for a better

price. There is one cooperative for the burley tobacco producers, one for the dark-fired tobacco producers, and perhaps one for the flue-cured producers.

It has been said that we are asking a special privilege for tobacco. It may be true, but what we are asking for tobacco is that the status quo for it be preserved; in other words, 90 percent of parity. The parity price may be a fluctuating figure from 1 year to another because it depends entirely on the fluctuations in the prices farmers have to pay for what they buy.

I say to my friend the Senator from Illinois that if the tax is taken off tobacco, and if tobacco is put on the same basis as wheat, corn, and other products, then we shall take our chances in the market. But today tobacco is taxed, as my colleague has shown. From tobacco taxes \$1,400,000,000 goes into the Treasury of the United States and to some of the States. That is more than the farmers get for the entire crop they grow, even after all the labor they devote to growing it, as has been described here.

So, inasmuch as tobacco is a great revenue producer for the Treasury of the United States, and is the only crop that pays such taxes, we believe tobacco should receive the treatment we provide for in the amendment. Of course, all of us realize that tobacco is a luxury, in a sense, and we so regard it, but to the American farmer who digs it out of the ground it is not a luxury; to him it is a necessity.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LUCAS. Let me say to my able friend the Senator from Kentucky that the only point I raised a moment ago in respect to this amendment to the committee amendment is that it does place tobacco upon a preferred list, so far as the provision for 90 per cent of parity is concerned. Tobacco is not on such a list at the present time. Today, tobacco, corn, wheat, and all other agricultural products are on the same basis, so far as the guaranty of a certain percentage of parity is concerned. If the amendment now proposed is made a part of the bill which is enacted into law, the result will definitely be to give to tobacco a preferred status as compared to other commodities. That is the only point I make.

Mr. BARKLEY. I appreciate what the Senator from Illinois has said about that matter. But we are seeking to preserve the status quo in respect to tobacco, because today the support price is 90 per cent of parity, and that parity is a fluctuating figure.

According to the table in the bill—which is about as inexplicable and as difficult to understand as a table of logarithms in a book of mathematics—no farmer could determine what he would be able to receive as the support price.

Mr. LUCAS. The only point I make in connection with the position I took a moment ago is that if we accept the proposed amendment, we shall begin to strike out the provisions of the bill in

piecemeal fashion. On the other hand, I understand that later the Senator from Georgia will offer an amendment which will seek to displace this bill with a bill which is on all fours with the law under which we are now operating; and of course that bill will include tobacco and other commodities.

Mr. BARKLEY. I understand that the substitute to be proposed by the Senator from Georgia is practically the House bill, which will extend for 2 years the present arrangement of support prices.

Mr. LUCAS. That is correct.

Mr. BARKLEY. Of course, that will include tobacco and other commodities on the basis of the present support-price figures.

We are asking for the adoption as a part of this bill of this amendment affecting tobacco because we genuinely feel that the tobacco producers should receive such treatment in view of the peculiar situation of tobacco, and since it has been singled out from among all the agricultural commodities in the United States for heavy taxation, which bears down on the price received by the producers, because the buyers say, "We cannot give you more than this, inasmuch as we have to pay an enormous tax," and there is even a tax 18 cents a pound on the tobacco in the loose leaf, tobacco which has not already been processed and that is three times as much as the growers of that particular type of tobacco got for it in years gone by.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. THYE. The only reason I asked the Senator to yield is that he referred to a table in the bill which gives some explanation of how the parity figure is reached. That table is to be found on page 79 of the bill. The only reason why the table is set forth in the bill is in order to give specific information as to what parity prices would be paid, depending upon the carry-over or the surplus of a certain commodity.

For instance, if we were to take 70 percent of a given commodity—that is, 70 percent of 100 percent production—the result would be 90 percent parity; but if the carry-over plus the production of the commodity for the year resulted in a figure of 130 percent of a normal crop, then the parity would be only 60 percent of the so-called 100 percent. The only reason why the scale or the schedule has been set forth in the bill is in order to permit anyone to realize, as he looks at the bill, that what the bill contemplates and attempts to do is to bring about an increase of production in the case of a crop that is in short supply, and a decrease of acreage in the case of a crop that is in long supply. In that manner we would have a flexible arrangement which would encourage self-control in the field, and not necessarily have to require the exercise of control of acreage by the Department of Agriculture.

Mr. BARKLEY. Mr. President, we already have a quota system, which has been in effect and is in effect now, under the present Agricultural Adjustment Act

and the parity system and the support prices. We have a quota system which really is an acreage system designed to prevent the creation of surpluses beyond the amount that can reasonably be absorbed by the market from year to year; and it has worked successfully. The farmers have been satisfied with it. Because they have been satisfied with it, they have voted by more than two-thirds, which the law requires—in fact, they have even voted by as high as 90 percent—to retain the quota system, because it has been successful, and they are in favor of it because it helps them and keeps down the unnecessary unsaleable surpluses of their crops.

Mr. President, I should like to call attention to the difficulties and hardships of the American tobacco grower. I was at Owensboro, Ky., a few years ago, and I went into an auction house where they were selling tobacco which had been brought in by the various farmers and carried there and put into what they call baskets, and graded; and the buyers were walking up and down between the baskets and were bidding on them by the chanting system to which I referred a moment ago. One farmer had brought in a load of tobacco. He turned it over to the warehouse. When he sold it and paid the warehouse charges and paid the commissions on that load of tobacco, he owed the warehouseman 50 cents. He went into the warehouseman's office, and the warehouseman said to him, "You owe me 50 cents. After getting all you got for the tobacco and paying all your charges, you still owe me half a dollar." For a whole year's work which he had put into tobacco and sold, he owed the warehouseman a half a dollar. When he was told of the deficit, he said, "I haven't got a half dollar with me; in fact, I haven't got a half a dollar anywhere." "Well," the warehouseman said, "Just bring me a chicken tomorrow and I will accept that in full payment for the half dollar you owe me." So the next day the farmer came into the office with two chickens. The warehouseman said, "I only asked you to bring one chicken. Why did you bring two?" "Well," he said, "I brought another load of tobacco today, and I thought I might as well pay you with this chicken, because I am sure the same result will come about." That really is a true story. It sounds ridiculous, but it is the truth, because I happened to be in the town and in the warehouse where this had taken place.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. THYE. In what year was that?

Mr. BARKLEY. That was about 7 or 8 years ago.

Mr. THYE. I was going to say that in the Middle West, though we were not engaged in the production of tobacco, we experienced something similar to that in connection with livestock and grain commodity prices. I have known of sheep and cattle being shipped to market, and, when all the expenses were paid, there was a deficit.

Mr. BARKLEY. I realize that.

Mr. THYE. I do not know that chickens were used to pay the deficit. Those

were in the depression years, which the Senator and I so well remember, and I pray God we shall have the intelligence as Members of this legislative body to enact the type of legislation that will prevent a condition that calls upon American producers to accept such a price that he must bring in a chicken with which to settle the deficit resulting from the attempt to market his product. That idea is embodied in the pending legislation.

Mr. BARKLEY. I agree thoroughly with the Senator from Minnesota, and I have been one of the most active men in both Houses of Congress since I have been here in trying to promote legislation to prevent that very thing. I voted for the McNary-Haugen bill when it was passed.

Mr. THYE. I compliment the Senator.

Mr. BARKLEY. I voted for and advocated every agricultural measure that gave any hope whatever of rescuing American agriculture from any such situation as that. I know that what I have said about tobacco also was true of wheat and corn, and that people in the West were burning corn as fuel rather than accept the price offered for it. The same is true of wheat and other things. Cattle were down to 3 and 4 cents a pound, and hogs were down to 3 and 4 cents a pound—less than the cost of producing them. I am familiar with all that. I am in favor of an over-all long-term agricultural bill. I doubt very much if we are going to get one at this session, because I do not know what the House is going to do. The House committee has not even considered it, and I am told they are not going to. It may be necessary to extend the present situation for 2 years. We will meet that problem when we get to it. But I do say that if we seek here to preserve tobacco on its present support basis rather than have a flexible sliding scale running from 60 to 90 percent, which no farmer can ever figure out for himself—

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. Under the bill tobacco cannot go below 84 percent, and the new parity program raises the parity price of tobacco so that 84 percent of the new parity price amounts to just a bit more than 90 percent of the present parity price.

Mr. BARKLEY. That all depends.

Mr. AIKEN. No, these are the figures of the Bureau of Agricultural Statistics, and that is all it depends on.

Mr. BARKLEY. The growers of tobacco do not believe that this overall bill which, in effect, includes tobacco with all other crops is the same as what they now have. They can depend upon what they now have. They know what it is. Moreover, they know that they want to keep the quota system by which they may keep down the unsaleable surplus, which has to be figured in on the parity or the support price.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. The Senator perhaps is not aware of an amendment which was added to the bill providing that the quota system shall be retained regardless of the supply until such time as the growers themselves vote it out of existence. So they cannot lose by the quota system unless they want to lose by it. They cannot get less for their products. We have come as near to fixing a 90 percent support for tobacco as it is possible to do without violating all the ethics of legislation.

Mr. BARKLEY. We do not think we are violating any of the ethics of legislation by the amendment.

Mr. AIKEN. No; I do not think anyone is violating the ethics of legislation.

Mr. BARKLEY. I do not believe we are, when we ask that special circumstances be taken into consideration in regard to the production and sale of tobacco and the taxation of tobacco. If the tax is taken off, we will go along with wheat and corn and cotton and rice and everything else.

Mr. AIKEN. How much more money would the grower receive if the tax were removed?

Mr. BARKLEY. I do not know. The buyer would be robbed of the excuse which he has always utilized in driving down the price to the farmer, the excuse that he is required to pay a heavy tax on tobacco.

Mr. AIKEN. I am old enough to know that tobacco buyers were tobacco buyers just the same before we had the taxes, or before the taxes were so large.

Mr. BARKLEY. But they could not use that as an excuse. They could not use the Federal Government as an excuse for driving down the price of tobacco. Every time we have increased the Federal tax on tobacco the buyers have used that as an additional reason for not being able to pay more for tobacco.

Mr. AIKEN. I may say to the Senator, when we find a tobacco buyer without an excuse, we shall find him losing his job.

Mr. BARKLEY. That may be, but we do not want to multiply his excuses.

Mr. AIKEN. But this is not a question of the iniquities of tobacco buyers. It is a question of a support price for tobacco. The producers of all types of tobacco are given just a little better support under the Senate bill 2318 than they would receive under a 90-percent support of the old parity price.

Mr. BARKLEY. They do not think so, I may say to my friend from Vermont, and I do not think so.

Mr. AIKEN. I do not question that. I know people have told different stories. I know both Senators from Kentucky have tried to tell them the story "as is," and some of them came here and got the story from the committee itself, but I know they have been confused. I think they have been deliberately confused, though I am not—

Mr. BARKLEY. I am not exactly sure what the Senator means by "as is." I do not think they have been deliberately confused. I have no way of knowing whether somebody has deliberately confused them, but I know the anxiety and uncertainty that exist. I know that the

protests which have come to me have come from actual producers and not from the rehandlers or warehousemen or buyers, or from anybody other than the farmers themselves, who dig the tobacco out of the ground; and they are very intelligent men.

Mr. AIKEN. I questioned one of the witnesses. I may say the principal witness who testified for the group of tobacco growers before the committee called me up after we reported the bill and thanked me and the committee for having been so fair to them.

Mr. BARKLEY. Of course, the committee, I want to say in all fairness, improved the bill as it affected tobacco; there is no question about that. The tobacco growers asked, I think, for about five changes in the bill; three were made. We thank the Senator and the committee for that concession; but if there had not been some improvement made, an intolerable situation would have been created. I do not think the Senator from Vermont himself realized at the time he introduced the original bill the effect it would have upon the tobacco growers of the country.

Mr. AIKEN. The Senator is entirely correct.

Mr. BARKLEY. The Senator readily went some distance in correcting the original bill, but we contend he did not go far enough.

Mr. AIKEN. Does the Senator from Kentucky think the burley tobacco growers would be better off if they received 90 percent of the present parity price than they would be under the pending bill? And does the Senator from Kentucky think the tobacco growers would be better off if quotas had to be voted every year?

Mr. BARKLEY. No.

Mr. AIKEN. Of course they would not.

Mr. BARKLEY. We have now a 3-year period for quotas. It was 1 year, and we changed it to 3.

Mr. AIKEN. Under the pending measure, we might have a 30-year period, so long as conditions remain so drastically different.

Mr. BARKLEY. I am not questioning the time for quotas. This not only affects burley tobacco, but it affects dark-fired tobacco and all other types of tobacco.

Mr. AIKEN. That is correct.

Mr. BARKLEY. I believe the American tobacco grower would be better off, better satisfied, and, in the long run, better served by a definite figure of 90 percent of parity, whatever that parity might be, than under a fluctuating rate from 60 to 90, because it is bound to fluctuate below 90 oftener than it is to fluctuate up to 90.

Mr. AIKEN. If I may ask the Senator another question, does he know of any tobacco growers, outside the State of Kentucky, who are protesting against the situation?

Mr. BARKLEY. I am not acquainted with tobacco growers outside the State of Kentucky.

Mr. AIKEN. I would say that so far as the committee knows, there are no protests of any nature from other States.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Florida.

Mr. PEPPER. I wonder if the Senator has in his State, which is a great tobacco-producing State, anything like the situation which is becoming more and more a threat to the tobacco growers in my State of Florida, that is to say, the farmers try to get enough graders to come and grade the product, and then the Government will say, "We will not send graders there for any length of time unless there are enough buyers from the big companies to buy the crop." Then the farmers get after the buyers, and they say, "We will come if the graders are there." It is like the old western statute which was passed by a State legislature and which provided that when two trains meet neither shall stop until the other has passed.

That represents the progress which has been made in connection with the situation. I do not know whether anything can be done about it, but it seems to me that it should be made clear that there should be enough graders at every market to accommodate the farmers who have their tobacco there; and if the buyers enter into some kind of an agreement, or in some way or other deny a fair market to the tobacco growers, it is time for the Government to step in and see if there cannot be a fair market provided for the tobacco growers.

Mr. BARKLEY. I have had the same experience as that to which the Senator from Florida has referred with regard to buyers and graders. During the war there was a shortage of graders, because many graders who qualified for grading tobacco went into the service. Year before last there was a shortage of approximately 25 in the number of graders available. The Department of Agriculture did the best it could to allocate those graders over the different sections, according to the season, for the marketing of tobacco. But there was a shortage. The buyers did say, and now say, what the Senator has said. But there has been some improvement. They always say they will not send buyers in unless there are graders there. But there is now an association of buyers which meets and decides where markets are to be opened.

Mr. PEPPER. The Senator is absolutely correct. Last year we brought the matter to the attention of the Department of Justice and asked for an inquiry, because the association decided, as the Senator has said, where they wanted the markets to be opened.

Mr. BARKLEY. I know of one situation in my State in which farmers had to haul their tobacco 110 miles to the nearest market. We tried to open a market within a reasonable distance, so that the farmers would not have to travel halfway across the State in order to find a market. The Department of Agriculture was able to send a number of graders into the section and open a market. Even then some of the buyers among the "big four," as we call them, refused to come in. Others said, "We will send buyers if the other fellow will."

But the other fellow would not. The result was that the farmers did not have a fair market. Notwithstanding court decisions, indictments, and Department investigations—regardless of all that, the buyers find ways in which to deny farmers the facilities to which they are entitled in order to market their tobacco within a reasonable distance and with a reasonable amount of competition.

Mr. PEPPER. Mr. President, will the Senator yield further?

Mr. BARKLEY. I yield.

Mr. PEPPER. I brought the matter up because I wanted the RECORD to show attention to the matter by the Senate. I hope the Department of Agriculture will regard this discussion today, and that if they feel legislation is necessary to protect the tobacco growers who are prevented from having a market because of such conspiracies as have been mentioned, they will recommend legislation to correct the situation.

Mr. BARKLEY. I have no complaint to make against the Department of Agriculture, or against the tobacco section of that Department.

Mr. PEPPER. Neither have I.

Mr. BARKLEY. But they have no power to compel anyone to go to a market, even when they have sent the graders there. All they can do is to try to exercise some influence by persuasion.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Michigan.

Mr. FERGUSON. I wonder whether the facts as presented by the able Senator from Kentucky do not show a real violation of the antitrust law and that, therefore, the proper remedy is one of prosecution rather than passing a new law.

Mr. BARKLEY. Not necessarily. Of course, to prove conspiracy is a difficult thing. The Department of Justice brought a lawsuit in Lexington, Ky., against four or five companies. They were indicted and were fined heavily. I am not sure whether anyone was imprisoned as a result of the trial.

Mr. COOPER. They were all fined.

Mr. FERGUSON. Did they pay the fines?

Mr. BARKLEY. They paid the fines. The Department of Justice has been in process of investigating whether these new methods constitute a violation of law. But it is a long, tedious process to gather evidence against a great combination—

Mr. FERGUSON. I appreciate that.

Mr. BARKLEY. Or to try to bring an indictment under the antitrust law. But, regardless of that, I think it is a problem which should address itself to legislation to see if we can find some way in which we can protect the farmers.

Mr. FERGUSON. I agree with the Senator wholeheartedly. I think that if the Attorney General finds they are exercising new methods of applying monopolistic control he should give us the facts so that we can consider new legislation with which to attack the problem.

Mr. BARKLEY. I do not know to what extent the Attorney General has

been able to gather facts to submit to Congress, but I know the matter has been investigated. I think that when the Department of Justice can make concrete recommendations to the Congress it will be done.

Mr. COOPER. Mr President, will the Senator yield?

Mr. BARKLEY. I yield to my colleague.

Mr. COOPER. The Senator from Michigan suggests that there should be a prosecution if the facts are as we have stated. To support an indictment of conspiracy an actual agreement to violate the law must be shown. I have in no way implied that any tobacco company is today violating the law, and have no reason to so believe, but nevertheless the dominating position of the tobacco companies still influences and affects the price paid growers. There are about 10 companies whose buyers purchase practically all of the tobacco sold. These companies have been in business for years. Each knows that the farmer must sell his tobacco to one of them. Each knows the farmer cannot keep his tobacco another year and that if he does not sell to one of them, he cannot sell at all. It does not make much difference whether or not they make agreements.

I should like to ask my colleague, who has had much more legislative experience than I, whether he knows of any other agricultural commodity whose value represents over a billion dollars and whose sale is limited to 8 or 10 companies.

Mr. BARKLEY. I do not know of any other agricultural commodity, whether cotton, corn, wheat, rice, potatoes, or any other product, that is marketed under the restrictions and restraints which surround the marketing of tobacco.

Mr. President, I do not wish to occupy the floor longer. I hope, for the reasons which my colleague and I have offered, and others we could offer by trespassing too long on the time of the Senate, that the amendment will be agreed to.

LEGISLATIVE RECORD OF TWO POLITICAL PARTIES ON INTERNATIONAL AFFAIRS AND NATIONAL DEFENSE

Mr. TYDINGS. Mr. President, because I am trying to present in chronological order the records to which I shall refer, I respectfully ask that I be not interrupted until I have completed my presentation, at which time I shall be glad to yield if Senators desire to have me do so.

Mr. HATCH. Mr. President, I happen to know something of the nature of the remarks the Senator is about to make, I know they are most important, and that every Senator should hear them. Would the Senator be willing to yield to me to suggest the absence of a quorum?

Mr. TYDINGS. A large number of Senators are now at lunch.

Mr. THYE. I raise a point of order. The PRESIDING OFFICER (Mr. HICKENLOOPER in the chair). Does the Senator from Maryland yield?

Mr. TYDINGS. I appreciate the suggestion, but I prefer not to yield.

The PRESIDING OFFICER. The Senator from Maryland declines to yield.

Mr. THYE. My only reason for raising the point is that we were told by the majority leader here this morning that the Senator from Vermont [Mr. AIKEN] had stood by and stood aside for legislation that had come before the Senate for several days, and he asked the Members of the Senate if they would not please permit the Senator from Vermont to proceed with his farm legislation until it was completed today. I am alarmed, as I look at the chart the Senator from Maryland has had placed before the Senate, on which I read "Airplane expansion, etc., April 3, 1939," and from that date on. If the Senator's remarks relate to agriculture or the farm bill, then I withdraw my parliamentary point or objection, but if not, I hope the Senator from Maryland will permit the agriculture legislation to be considered in the Senate for the remainder of the afternoon, or until such time as we can take action on the bill.

Mr. HATCH. Mr. President, a parliamentary inquiry.

Mr. TYDINGS. I refuse to yield. I may say that if the Senator from Minnesota had not interrupted me I probably would have been well on toward half through what I have to say, and what I shall say I deem of importance, and it is not long. I shall begin again at the beginning and hope that I will not take too much of the Senate's time.

Within the next 5 months the people of the United States will select a President, Vice President, the Members of the House of Representatives, and approximately one-third of the United States Senate, who will begin their terms of office in January 1949.

In order that the record of the two parties in the Congress—that of the Democratic Party and that of the Republican Party—may be available in concise form for our citizens, I have had prepared the votes of the Democrats and Republicans in the Senate and the House by political parties on major legislation which has come before the Congress for decision from January 1, 1939, to date, insofar as that record deals primarily with international relations, preparation for war and war itself, and matters which are more or less related to the international field.

I shall present this record without partisan comment insofar as I can. I shall name the law, describe it briefly, and set forth the dates upon which the Senate and House voted thereon, and the result of the vote by parties.

The first vote was on April 13, 1939, on H. R. 3791, in the Seventy-sixth Congress. That bill provided for more national defense by increasing the number of serviceable airplanes to 6,000, exclusive of those awaiting salvage and authorized \$300,000,000 therefore; it likewise provided for civilian flying schools and for the inclusion of 1,000 Reserve officers in the Regular Army other than the Air Corps and 3,000 to the Air Corps, and so forth. The vote upon this measure was as follows:

Airplane expansion, etc., Apr. 3, 1939

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	57	3	233	1
Republican.....	17	4	130	14

Next, construction of additional Coast Guard cutters and seaplanes, June 2, 1939:

	Senate ¹		House	
	Yea	Nay	Yea	Nay
Democratic.....			190	12
Republican.....			62	79

¹ No record vote.

Next was acquisition of strategic and critical materials, June 7, 1939:

	Senate		House ¹	
	Yea	Nay	Yea	Nay
Democratic.....	48	1		
Republican.....	4	12		

¹ No record vote.

Next was the repeal and rewriting of certain provisions of the Neutrality Act of 1935, which are briefly explained as follows:

Public Resolution 54 (H. J. Res. 306), Seventy-sixth Congress, the Neutrality Act, repealed and rewrote the provisions of the Neutrality Act of 1935, as amended (U. S. C. Supp. IV, 22; 245a-245i), and repealed the Spanish Embargo Act (50 Stat. 3). However, such repeal did not affect the validity of proclamation No. 2237, of May 1, 1937 (50 Stat. 1834), or certificates of registration or licenses. The act provided:

Whenever the President or Congress shall find that there exists a state of war between foreign states and that it is necessary to promote the security or preserve the peace of the United States or to protect the lives of citizens, he shall issue a proclamation naming the belligerent states involved, and it shall thereafter be unlawful (\$1,000 fine, 5 years' imprisonment, or both): (1) To export, or attempt to or cause to be exported, arms, or ammunition to any such state; (2) for any person (\$50,000 fine, 5 years' imprisonment, or both) to purchase, sell, or exchange bonds or securities of, or make a loan or extend credit to, any such state, political subdivision, or agent thereof (however, if the President shall find that such action will serve to protect our commercial interests, he may except normal peacetime commercial transactions, but he must make public every 90 days all such exceptions); (3) to export or transport, or to attempt to or cause to be exported or transported, any articles or materials to any such state (except under regulations prescribed by the President), until all interest therein shall have been transferred to some foreign government or national; and (4) to solicit or receive any contribution for or on behalf of any such state (except medical aid, or for food and clothing to relieve human suffering, subject to approval of the President). No citizen shall travel on any vessel of any belligerent state except at his own risk. The foregoing provisions shall not apply to American Republics.

Upon similar findings, the President may place restrictions on the use by submarines or armed merchant vessels of a belligerent state of the ports and territorial waters of the United States, and he may require foreign or domestic vessels, believed about to carry fuel, men, munitions, or supplies to a belligerent ship, to give bond not to make such deliveries.

The act continued the National Munitions Control Board and required (a) munition makers, and so forth, to register with the Board—registration fee, \$100; (b) importers and exporters to obtain licenses for shipment of munitions. Applicants for a license shall set forth a description of such exports, with credit or payment terms. The Board shall make an annual report to Congress upon questions connected with the control of trade in munitions of war, including a list of all persons required to register or obtain licenses. Whenever the President finds that there exists a state of war between foreign states, the Board shall make public all information herein provided and make a similar report each 90 days.

The vote on this was as follows:

Neutrality Act of 1939, Nov. 4, 1939

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	54	12	191	35
Republican.....	8	15	8	150

The next was to build up the Navy and Navy aircraft, as follows—Public Law 629 (H. R. 8026) Seventy-sixth Congress:

It increased by 167,000 tons the authorized composition of the Navy in under-age vessels as established by the act of May 17, 1938 (52 Stat. 401), making the increased category totals as follows: Aircraft carriers, 254,500 tons; cruisers, 479,024 tons; and submarines, 102,956 tons.

It increased the number of naval airplanes to 4,500 and the number of non-rigid lighter-than-air craft to 18 and authorized the President to acquire or to construct 75,000 tons of auxiliary vessels.

The vote upon it was as follows:

Increases size of Navy, increases naval aircraft, June 14, 1940

	Senate ¹	House	
		Yea	Nay
Democratic.....		195	6
Republican.....		110	28

¹ No record vote.

The next is facilities to expedite the national defense, July 31, 1940:

	Senate ¹	House	
		Yea	Nay
Democratic.....		209	0
Republican.....		52	93

¹ No record vote.

Following that was the ordering of Army Reserve components, and so forth, into active military service, August 27, 1940:

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	49	4	213	6
Republican.....	20	2	124	27

Next was the Selective Training and Service Act, 1940, September 16, 1940:

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	50	17	211	33
Republican.....	8	10	52	112

That was the Draft Act passed in 1940, which prepared the country for the induction of new men.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. TYDINGS. I cannot yield until I conclude my statement. Then I shall be glad to yield.

After this, there was the lend-lease bill, Public Law 11 (H. R. 1776), Seventy-seventh Congress.

Lend-lease bill: For the benefit of any foreign nation whose defense the President deems vital to the United States he may authorize any Government department or agency—to the extent to which funds are available or contracts are authorized by Congress—to manufacture or procure, to the extent to which funds are made available therefor or contracts are authorized by Congress, defense articles; to lend, lease, and so forth, defense articles of a value not exceeding \$1,300,000,000, and only after consultation with the Chief of Staff of the Army or the Chief of Naval Operations—value is to be determined by heads of departments concerned, and defense articles procured from funds hereafter appropriated shall not be disposed of under this authority—to outfit, inspect, repair, to the extent to which funds are made available therefor or contracts are authorized by Congress, defense articles; to communicate any defense information concerning defense articles loaned, leased, and so forth; and to release for export defense articles upon conditions deemed satisfactory by him. The powers so conferred shall not be exercised after June 30, 1943, or after the passage of a concurrent resolution of both Houses before that date, except that the terms of contracts entered into before July 1, 1943, may be extended to July 1, 1946.

It also authorized the Secretaries of War and Navy to acquire arms, munitions, and implements of war produced in such countries designated above whenever the President deems such acquisition necessary to the national defense.

This act shall not be construed as authorization for the conveying of vessels by United States naval vessels, nor for

the entering of American vessels into a combat area in violation of the Neutrality Act of 1939.

The President shall report to Congress the operations under this act at least once every 90 days. Nothing in this act shall be construed to change existing law relating to the use of the land and naval forces; except insofar as such use relates to the manufacture, procurement, and repair of defense articles, the communication of information, and other non-combatant purposes enumerated.

The voting was as follows:

Lend-Lease Act, Mar. 11, 1941

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	49	13	236	25
Republican.....	10	17	24	135

Next taken up was the lend-lease appropriation, March 27, 1941, Public Law 23 (H. R. 4050), Seventy-seventh Congress.

Defense Aid Supplemental Appropriation Act, 1941: To enable the President to carry out the provisions of the Lend-Lease Act the following is appropriated: \$1,343,000,000 for ordnance; \$2,054,000,000 for aircraft; \$362,000,000 for tanks, trucks, and so forth; \$629,000,000 for vessels; \$260,000,000 for miscellaneous military equipment and supplies; \$752,000,000 for facilities and equipment for the production of defense articles; \$1,350,000,000 for agricultural, industrial, and other commodities; \$200,000,000 for testing, repairing, reconditioning and so forth, defense articles for the government of any country whose defense the President deems vital to the defense of the United States; \$40,000,000 for necessary services and expenses not specified; and \$10,000,000 for administrative expenses. In all, \$7,000,000,000 to remain available until June 30, 1943.

The vote was as follows:

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	49	3	231	6
Republican.....	17	5	104	45

Next acted upon was the ship seizure bill, Public Law 101 (H. R. 4466), Seventy-seventh Congress.

Empowered the President to purchase or requisition any foreign vessel lying idle in United States waters which is necessary to national defense. Authorized the Maritime Commission to charter any vessel to private operators; to provide insurance and reinsurance; to repair, reconstruct, or recondition any vessel; to pay a fair price for vessels purchased.

It authorized the Secretary of Commerce to waive compliance with law relating to masters, officers, crew, and crew accommodations.

The vote was as follows:

Ship-seizure bill, June 6, 1941

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	48	4	212	19
Republican.....	10	15	51	101

When the Selective Service Act was passed the bill contained the provision that it would be the law until 1945. It also contained the provision that those who were drafted into the armed services were to have one full year's training. The first class of inductees became available for the armed services about November 1940. This class would thus have completed its full year's training and be eligible for discharge in November 1941, according to the original Selective Service Act.

The Military Establishment recommended in July 1941 that when the first year of training had expired the law be amended so as to keep those who would have served their year in the service indefinitely. After hearings the matter came before the Congress for a vote. Various propositions were offered to keep those who had completed a year's training in the services; first for an additional 6 months, then a proposal to keep them in the service for an additional 12 months, and finally a proposal to keep them in training for an additional 18 months. These three propositions were acted upon only in the Senate. The vote on the 12 months' extension was as follows:

12-month extension of selective service, Aug. 6, 1941

	Senate	
	Yea	Nay
Democratic.....	11	39
Republican.....	10	10

The next vote was as follows:

18-month extension of selective service, Aug. 7, 1941

	Senate	
	Yea	Nay
Democratic.....	37	14
Republican.....	4	13

With the 18 months' extension adopted by the Senate, the measure then came up for final passage in the Senate, with the following result:

Extension of selective service, passage Aug. 7, 1941

	Senate	
	Yea	Nay
Democratic.....	38	16
Republican.....	7	13

When the measure went to the House of Representatives, the first record vote there upon it was on a motion to recommit. Upon that motion the vote was as follows:

Extension of selective service—vote to recommit, Aug. 12, 1941

	House	
	Yea	Nay
Democratic.....	54	193
Republican.....	132	22

The vote to recommit having failed for lack of a majority, the matter then came up for final passage in the House with the following result:

Extension of selective service, passage Aug. 12, 1941

	House	
	Yea	Nay
Democratic.....	182	65
Republican.....	21	133

The House, however, did adopt certain amendments to the bill as it was passed by the Senate. Thus, as the final House version was in some respects different from the final Senate version of this bill, the matter next went to a conference of the two Houses, where the disagreements on certain provisions were reconciled and adjusted. When the matter came out of conference, the provision to extend the year's training, which many men were just completing, for an additional 18 months remained in the bill, and with other disagreements reconciled, the matter was referred by the conference back to each House for final adoption. There was no record vote on the conference report on the extension of selective service in the House. The final vote in the Senate was upon the adoption of the conference report, providing for the extension of selective service. The vote was as follows:

Extension of selective service—adoption of conference report, Aug. 14, 1941

	Senate	
	Yea	Nay
Democratic.....	31	9
Republican.....	6	9

The next bill to be acted upon was the Property Seizure Act, to authorize the President of the United States to requisition property required for the defense of the United States, and the vote, just a few weeks before Pearl Harbor, was as follows:

Property Seizure Act, Oct. 16, 1941

	Senate ¹	House	
		Yea	Nay
Democratic.....		215	10
Republican.....		25	123

¹ No record vote.

Following this, there was Public Law 282 (H. R. 5788), Seventy-seventh Congress, the Defense Aid Supplemental Appropriation Act for 1942, which appropriated \$5,985,000,000; \$1,190,000,000 for ordnance, \$685,000,000 for aeronautical materials, \$385,000,000 for armored equipment, \$850,000,000 for vessels, \$155,000,000 for military and naval equipment, \$375,000,000 for acquisition and operation of manufacturing facilities, and so forth, \$1,875,000,000 for agricultural, industrial, and other commodities, \$175,000,000 for testing, repairing, and so forth, of defense articles, \$285,000,000 for necessary services and expenses in carrying the Lend-Lease Act, and \$10,000,000 for administrative expenses.

The vote on this was as follows:

Second supplemental defense appropriation, second lend-lease appropriation, Oct. 28, 1941

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	43	4	229	8
Republican.....	15	8	97	56

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TYDINGS. As I said in the beginning, I prefer not to yield until I finish the chronological outline.

Mr. TOBEY. The statute of limitations has run against these things.

Mr. TYDINGS. I am coming up to date. The chronological outline runs right up to this minute. This is a 10-year record, as I stated in the beginning. The statute of limitations never is outlawed while the American people can go to the polls.

Next was the repeal of the Neutrality Act (Public Law 294 (H. J. Res. 237)) Seventy-seventh Congress:

That section 2 of the Neutrality Act of 1939 (relating to commerce with states engaged in armed conflict), and section 3 of such act (relating to combat areas) are hereby repealed.

SEC. 2. Section 6 of the Neutrality Act of 1939 (relating to the arming of American vessels) is hereby repealed; and during the unlimited national emergency proclaimed by the President on May 27, 1941, the President is authorized, through such agency as he may designate, to arm, or to permit or cause to be armed, any American vessel as defined in such act. The provisions of section 16 of the Criminal Code (relating to bonds from armed vessels on clearing) shall not apply to any such vessel.

The vote on this was as follows:

Repeal of the Neutrality Act of 1939, Nov. 17, 1941

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	43	15	219	21
Republican.....	6	21	39	113

Three weeks later, the Japs made their sneak attack on Pearl Harbor and the United States quickly declared war on the Axis Powers and became one of the active belligerents in the world struggle.

As the war drew to a victorious close in 1945, the United States took a leading part in preparing for the war's aftermath. Meetings were held, attended by representatives of the leading nations of the world, seeking to prepare in advance for the financial, economic, and political rehabilitation of the nations of the earth, when war should finally end. Following the surrender in Europe and before the Japanese surrender in Asia, the Bretton Woods Agreement Act came before the Congress for action. This act dealt primarily with the creation of an agency intended to strengthen world financial and currency systems. The vote upon this measure was as follows:

Bretton Woods Agreement Act, July 31, 1945

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	41	2	205	0
Republican.....	19	14	138	18

Following the surrender of the Japanese in 1945, another great agency came to the fore upon which much preliminary work had been done. This agency was known as the United Nations, and in the idealism which it espoused, the hopes of a great many people for the future of mankind were reposed. This agency, representing the nations of the earth, except the defeated countries, banded together to solve the world's problems without recourse to the battlefield.

On December 20, 1945, the question came up in Congress as to whether the United States, which had taken the lead in the creation of the UN, should become a participating member of it. The vote upon this question was as follows:

United Nations Participation Act of 1945, Dec. 20, 1945

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	41	1	193	0
Republican.....	23	6	150	14

In July 1946, the proposition was laid before the Congress as to whether or not a loan should be made to Great Britain, involving several billion dollars. After full discussion and debate in both houses, the bill providing for the loan was adopted, the vote thereon being as follows:

Loan to Great Britain, July 15, 1946

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	29	15	111	5
Republican.....	17	18	70	61

The Republican Party divided. In the Senate the majority of the Republicans were against the loan to Great Britain, and in the House the majority of the Republicans were for it.

During the early part of 1947, the next matter to come up dealing with foreign affairs was whether or not this country would give aid to Greece and Turkey. In Greece civil war had been going on, and Turkey was reported to be near economic collapse. Much of the civil war in Greece was stated to have its chief support from countries dominated by Russia and by Russia herself to aid the Communists in Greece then engaged in trying to overthrow the Greek Government by force. It was likewise stated that Turkey might collapse unless given some immediate support and thus might fall into the hands of Communist-dictated countries, in which event not only would the Mediterranean and the Suez Canal be threatened with further encirclement, but access to the great oil fields to the east thereof might be denied to the United States and other foreign countries. It was stated that if this occurred our own supply of oil might prove insufficient to carry the Nation through a period of great emergency. The matter came to a vote, with the following result:

Aid to Greece and Turkey, May 22, 1947

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	32	7	160	13
Republican.....	35	16	127	94

The next great question to come before the Congress dealing with international matters was whether or not the Marshall plan proposed by our Government for the economic assistance of the 16 democratic countries of western Europe should be adopted. The bill authorizing this assistance involving many billions of dollars, came before the Congress for a vote on April 3, 1948, with the following results:

Foreign Assistance Act of 1948, Apr. 3, 1948

	Senate		House	
	Yea	Nay	Yea	Nay
Democratic.....	38	4	171	61
Republican.....	31	13	158	11

Prior to that time, however, on March 12, the Taft amendment reducing funds for this foreign assistance from \$5,300,000 to \$4,000,000,000 was voted upon by the Senate, as follows:

Taft amendment (Foreign Assistance Act of 1948) to reduce the funds from five and three-tenths billions to four billions, Mar. 12, 1948

	Senate	
	Yea	Nay
Democratic.....	8	32
Republican.....	23	24

The above record of the political parties deals only with the Democratic and Republican vote in the Congress. It does

not record or present the votes of those aligned with other parties, such as the American Labor, Farmer-Labor, and the like.

When a man who has held public office presents himself to the people for reelection or for election to some other office he is bound more or less by three principal considerations: First, his own vote and record on matters that have come before him and upon which he has been recorded; second, the vote and record of the party to which he adheres, and its position on public questions which have been decided by legislative bodies; third, what the party to which he belongs proposes to do on policies, measures, and propositions which are currently, or likely to be, before the people for consideration.

In the above tabulation and record, individual votes, of course, are not shown. Only the party vote is shown on major international and semi-international questions that have come before the Congress in the last 10 years.

I have had this record prepared, for it tends to form a general pattern of the basic cleavage, in many respects, between the major decisions of the Democrats and Republicans in the fields covered.

At this particular time in the affairs of our own Nation, when men are to be elected to high office, it may be of help to those who wish to use the past as at least a partial yardstick to guide them in voting for candidates to pass on the measures now pending or likely to be presented for determination.

Mr. President, I have tried to present this tabulation without argument for or against the vote on any particular measure, in as nonpartisan a way as I could, but simply to compile the facts for the consideration of the Congress and the country.

Now I shall be glad to yield.

Mr. HATCH. Mr. President, in the same spirit with which the Senator from Maryland has presented these most enlightening records for the information of the American public—information which it certainly is entitled to have—I should like to place in the RECORD at this point a tabulation dealing with a matter which as vitally affects our international affairs as do any of the measures the Senator from Maryland has mentioned.

I have in mind the record of the two parties on the reciprocal-trade-agreements program, on which the Senate voted just the other day, and to which the statute of limitations does not apply. I believe I do not see the Senator from New Hampshire in the Chamber at the moment, but I could not help but be reminded that in some experience with the law in New Mexico I have never heard the statute of limitations raised except by those who are the most guilty.

Mr. TYDINGS. Before the Senator reads the tabulation, I should like to add a sentence for the purpose of clarification, namely, that the record I have prepared and have presented here today, for obvious reasons is not current. It does not include the votes, as I recall, from the 1st of May, or sometime in May, to

date, because matters have been in such a state of flux on many of these questions that I did not have time to get the last minute news on them.

Mr. HATCH. Mr. President, I shall now read a tabulation appearing in an article relative to the Reciprocal Trade Agreements Act. The article appeared in the Christian Science Monitor of April 28, 1948. Mr. Richard L. Stout wrote the article, which is entitled "Tariff Trends—An Intimate Message From Washington." Let me say I am sure Mr. Stout carefully checked the figures. The tabulation appearing in the body of his article is as follows:

The Hull trade program has come before Congress five separate times with its original enactment and four continuations. Here is the Senate vote on these five occasions:

1934: Democrats for, 54; against, 5; Republicans for, 5; against, 28.

1937: Democrats for, 56; against, 9; Republicans for, 0; against, 14.

1940: Democrats for, 41; against, 15; Republicans for, 0; against, 20.

1943: Democrats for, 41; against, 8; Republicans for, 18; against, 14.

1945: Democrats for, 38; against, 5; Republicans for, 15; against, 16.

Here is the similar House record:

1934: Democrats for, 269; against, 11; Republicans for, 2; against, 99.

1937: Democrats for, 278; against, 11; Republicans for, 3; against, 81.

1940: Democrats for, 212; against, 20; Republicans for, 5; against, 146.

1943: Democrats for, 193; against, 3; Republicans for, 163; against, 26.

1945: Democrats for, 205; against, 12; Republicans for, 33; against, 140.

Mr. President, just this week the Senate had three very significant votes on amendments to the same act. Those amendments were prepared and submitted by the Senator from Kentucky [Mr. BARKLEY]. The first amendment provided for a 3-year extension of the act without amendment; the second provided for a 2-year extension of the act without amendment; and the third provided for a 1-year extension of the act without amendment. I ask unanimous consent to have the votes on those three amendments included at this point in the RECORD, as a part of my remarks.

There being no objection, the votes were ordered to be printed in the RECORD, as follows:

Barkley 3-year amendment: Democrats for, 40; against, 1. Republicans for, 1; against, 47.

Barkley 2-year amendment: Democrats for, 40; against, 1. Republicans for, 2; against, 46.

Barkley 1-year amendment: Democrats for, 40; against, 1. Republicans for, 3; against, 45.

Mr. TYDINGS. Mr. President, I thank the Senator from New Mexico for his very worth while contribution to the statistics of the polemics on which democracy rests. As he has done, so I have tried to present the data to the Senate without any desire to criticize either party or any individual for the votes cast, but simply so there will be in one place a factual record which will speak for itself. Obviously it will please some and will displease others, in every case.

Mr. HATCH. Mr. President, I think the Senator from Maryland has per-

formed a most worthy service, but I did not want his remarks to conclude without inserting the statistics for the reciprocal trade agreements program.

Mr. TYDINGS. I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6419) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6772) making appropriations for the Department of the Navy and the naval service for the fiscal year ending June 30, 1949, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 16 and 23 to the bill, and concurred therein, and that the House receded from its disagreement to the amendment of the Senate No. 40 to the bill, and concurred therein with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 117) providing for acceptance by the United States of America of the constitution of the International Labor Organization Instrument of Amendment, and further authorizing an appropriation for payment of the United States share of the expenses of membership and for expenses of participation by the United States.

The message also announced that the House insisted upon its amendments to the bill (S. 2821) to provide increases of compensation for certain veterans with service-connected disability who have dependents, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mrs. ROGERS of Massachusetts, Mr. KEARNEY, Mr. MATHEWS, Mr. RANKIN, and Mr. ALLEN of Louisiana were appointed managers on the part of the House at the conference.

The message further announced that the House insisted upon its amendment to the bill (S. 2825) to increase the rates of service-connected death compensation payable to certain widows, children, and dependent parents of persons who served in the active military or naval service, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mrs. ROGERS of Massachusetts, Mr. KEARNEY, Mr. MATHEWS, Mr. RANKIN, and Mr. ALLEN of Louisiana were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following joint resolutions, in which it requested the concurrence of the Senate:

H. J. Res. 428. Joint resolution providing an extension of time for claiming credit or refund with respect to war losses; and

H. J. Res. 429. Joint resolution relating to the marital deduction, for estate-tax purposes, in the case of life insurance or annuity payments.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 158. An act for the relief of certain Basque aliens;

S. 765. An act for the relief of Santiago Solabarrieta;

S. 1087. An act to amend section 502 (a) of the Department of Agriculture Organic Act of 1944;

S. 1447. An act to prohibit the importation of foreign wild animals and birds under conditions other than humane, and for other purposes;

S. 2223. An act to authorize the promotion of Lt. Gen. Leslie Richard Groves to the permanent grade of major general, United States Army, and for other purposes;

S. 2225. An act to transfer administration of the Federal Credit Union Act to the Federal Security Agency;

S. 2251. An act to authorize the Army and Navy Union, United States of America, Department of Illinois, to construct a recreational park on the grounds of the United States Naval Hospital, United States Naval Training Center, Great Lakes, Ill.;

S. 2400. An act to authorize the President, in his discretion, to permit the stoppage of work on certain combatant vessels;

S. 2401. An act to provide for the administration of military justice within the United States Air Force, and for other purposes;

S. 2508. An act relating to salaries of certain officers and employees of the United States and certain officers and employees of Puerto Rico;

S. 2676. An act to amend the Organic Act of Puerto Rico;

S. 2770. An act to fix the rank of the assistant to the Chief of Engineers in charge of river and harbor and flood-control improvements; and

S. J. Res. 158. Joint resolution to authorize the issuance of a special series of stamps commemorative of the eighty-fifth anniversary of Lincoln's Gettysburg Address.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 2028. An act to facilitate and simplify the work of the Forest Service, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 2912. An act providing for the conveyance to the State of South Carolina of that portion of the Fort Moutrie Military Reservation determined to be surplus to the needs of the Department of the Army;

H. R. 3479. An act providing for the conveyance to the State of Louisiana of that portion of the Jackson Barracks Military Reservation determined to be surplus to the needs of the Department of the Army;

H. R. 4924. An act to provide for the maintaining of the corps of cadets at the United States Military Academy and the brigade of

stopping cold on Pendergast. In any case, and whatever the unrevealed facts are, he has left himself, these officials, his record, and his book, in a position which, to say the least, is equivocal.

In this connection, Mr. Milligan says that on the morning of the Pendergast plea he refused to release to the press copies of a written statement of facts he was to present to the court "until I had seen the defendant enter the courtroom and heard with my own ears the plea of guilty."

It is true, as he relates, "I presented my findings of fraud and tax evasion at the request of Judge Otis * * *" and that he "eschewed oratory and dramatics" in doing so.

A LENGTHY STATEMENT

His statements in this respect are the facts, but in doing so, he put on an unheard of performance by a lawyer in a case of that or any other magnitude. He read that statement to the court! It was some 15 pages in length, and had been prepared and written for him by Sam Blair. Lawyers of parts just don't do that. Milligan rarely, if ever, said anything in the courtroom extemporaneously and relied exclusively on Blair for the preparation of his arguments to juries and statements to the courts which, if he did not actually read, he had beforehand committed to memory.

This book offers a sketchy refresher course of the Kansas City story, but to either the literature or the trustworthy record of our time it adds nothing but its own vainglory.

THE RIZLEY-MOORE BILL AND THE ACTIVITIES OF LELAND OLDS

Mr. MOORE. Mr. President, continued shortages of fuel oil in the New England and North Atlantic States are almost certain. The ability of the domestic oil industry to supply the military petroleum requirements has been seriously impaired. In my opinion, these domestic and military shortages will necessarily result from the defeat of House bill 4051, commonly referred to as the Rizley-Moore gas bill, by the Senate Interstate and Foreign Commerce Committee, which previously had passed the House by a vote of 4 to 1. This legislation has been the object of a well-planned and well-executed propaganda program of the Red element in the United States under the leadership of Leland Olds of the Federal Power Commission. It has been the victim of the gullibility and dishonesty of a few politicians and of the misunderstanding of some Members of the Congress who have not had the time or opportunity to study the issues involved.

The Natural Gas Act, as originally passed, provides that the Federal Power Commission shall regulate the interstate transportation of natural gas and the sale thereof for resale for ultimate consumption. The Power Commission, however, under the leadership of Leland Olds, former Chairman of the Commission and a long-time member, has expanded the jurisdiction of the Commission to regulate the production and gathering of gas in the field contrary to the plain language of the Natural Gas Act, which excludes "the production and gathering of gas" from the jurisdiction of the Commission. A New Deal court has sustained the Commission. Such policy has caused the natural gas pipeline companies serving large consuming areas to cease exploration for gas re-

serves, and has caused independent producers to refuse to sell gas to interstate pipe lines except at substantially increased prices and subject to the condition that if the Commission regulates the transaction in any way, the contract of sale is void and the seller may discontinue the delivery of gas. This state of affairs has almost terminated the building of any further interstate pipe lines from the southwestern gas fields to the consuming areas of the North and East.

It means that the 165,000,000,000 cubic feet of known gas reserves of the Southwest, which is equivalent to about 27,500,000,000 barrels of oil on a fuel heating basis, will not be made available to relieve the fuel oil shortage suffered by the people of New England and the North Atlantic States during the past several winters. These reserves of gas, likewise, will not be available to relieve the strain on the fuel oil demand for industrial and military uses.

The interstate pipe lines are now paying as high as 12 cents for gas in the field because of the Federal Power Commission's policy. This is well over 100 percent increase since the establishment of the Commission's policy. It is taking about \$150,000,000 a year out of the pockets of the consumers as extra tribute to the Power Commission policy.

The bill which was killed by the Senate committee would have amended the Natural Gas Act clearly to exclude the commission from asserting jurisdiction over the activities of producing and gathering natural gas and the facilities used for such purpose. The amendment would have released the gas reserves of the Southwest for sale and transportation to the suffering consumers of the North and East. The plentiful supply of gas thus made available would have made competition keen, and the price of gas to consumers would have, as a natural consequence, gone down, as is always the case when any commodity is made plentiful. The people and the military forces have been denied this additional supply of petroleum products because of the activity of Leland Olds of the Power Commission.

I think the people of this country are entitled to know just who Leland Olds is. Prior to Mr. Olds' appointment to the Federal Power Commission, he was an associate editor of the Federated Press. The Federated Press was a Communist organization for the purpose of gathering and feeding news and propaganda to other Communist publications, including the Daily Worker. Other coeditors of the Federated Press were Carl Haessler, an outstanding and notorious member of the Communist Party in America, who has a record of conviction for the evasion of the draft laws during World War I. The executive board of the Federated Press at and during the time Mr. Olds was a writer and coeditor included such active Communists as Earl Browder and William Z. Foster and John W. Edelman. The Federated Press was represented in Washington by Laurence Todd, who at the same time represented the Tass Agency, the official press organization of the Soviet Union. Over a period of 10 years the Daily Worker carried

a column under the byline of Leland Olds, condemning the capitalistic system.

During these years as coeditor of the Federated Press, Leland Olds was a recipient of grants and awards of money from the American Fund for Public Service, commonly known as the Garland Fund. The Garland Fund was set up in 1922 by young and rich Charles Garland, and was dedicated to the advancement of communistic-front organizations in America.

In 1925, Mr. Olds was awarded \$3,640 from the fund. In 1926, he received another award of \$3,000. In 1928, he received a gift of \$3,600 from the fund. During the same time, the Federated Press received grants totaling \$76,000. The Daily Worker was also a recipient of advances from the Garland Fund. The communistic magazine known as the New Masses, was founded in the United States with the financial aid of the Garland Fund. During this period, Earl Browder and William Z. Foster as members of the executive board of the Federated Press were Mr. Olds' bosses.

In 1938, Leland Olds was temporary chairman of and made the keynote speech to the American Labor Party at its national convention in New York on October 3 of that year. In this speech Mr. Olds asked the question:

How can I escape war and find peace?

He concluded with:

The old parties—

That means the Democratic Party as well as the Republican Party—

cannot answer this fundamental question of the people because their organizations are still based upon selfishness.

According to the New York Times of October 4 of that year, Mr. Olds in this keynote speech also said:

The Labor Party was born because the President could not count upon the machinery of his own party to support his efforts.

According to the Times, Mr. Olds also said:

Millions of men and women knew that neither the Republican nor Democratic Parties could be depended upon to enable Franklin Delano Roosevelt to continue to lead the Nation into the promised land of security, equality, love, and peace. The Labor Party is the response to the political awakening that is shaking the foundations of the old political machines which, while giving lip service in their platforms to the needs of the people, were in reality willing tools of the financial power that ruled America and made its democracy a sham.

In view of Mr. Olds' philosophy and his previous official connections with communism, it is not strange that he has used his office as a member of the Federal Power Commission to hinder the industrial development of this country and impede the efforts of the oil industry to supply the domestic and military petroleum requirements. It is not strange that he has enlisted the aid of left-wing columnists and radio commentators.

The purpose of Mr. Olds' effort to defeat the bill is to continue to impose his devastating philosophies upon the American people as a member of the Federal Power Commission. Mr. Olds has filed a report with the Interstate and Foreign

Commerce Committee of the Senate and has testified before one of its subcommittees that he believes the gas reserves of the Southwest should be locked up and that the population of the North and East should be forced to move to these areas as a matter of social advancement, in order to use these gas reserves for industrial purposes. He has stated that he does not believe that gas should be permitted to be competitive with coal and oil. Mr. Olds has said, as a step in effectuating a managed economy in this country, the Commission should determine where, when, and for what purposes gas may be used. Mr. Draper, the fourth member of the present Commission, has gone along with Mr. Olds because of his subservient position to those who backed his nomination. Mr. Olds also had the support and help of the President of the United States in propagandizing the public and defeating the gas amendment.

Two members of the Commission, Mr. Wimberly and Mr. Smith, filed a report with the committee disagreeing with the Olds philosophy and have urged upon the Senate Committee that the Natural Gas Act should be amended in order to relieve the fuel shortages of the North and East.

Mr. President, I have made this statement concerning the proposed gas amendment, known as the Rizley-Moore bill (H. R. 4051), and the activities of Leland Olds, in order that the attention of the Members of Congress and the public may be focused upon the character of individuals who still hold important positions of trust and responsibility in this government.

IMPORTANCE OF AN ADEQUATE MILITARY MANPOWER ACT

Mr. MORSE. Mr. President, before I request a quorum call, I want to make a short statement in regard to another matter. It is not my intention to indulge in any partisan argument with the Senator from Maryland [Mr. TYDINGS]. I am perfectly willing to let his speech speak for itself, but I may say that if the Senator from Maryland were on the floor at this time, I am sure he would agree with me that in this critical hour of America's history there must be no partisan difference of any nature whatsoever on the question of protecting the security of the Nation. Reading the newspapers today and listening to conversations in the cloakroom raise a question as to whether in the hours immediately ahead, before adjournment Saturday night, we may be confronted with a holding-up process by way of a filibuster in connection with a military manpower bill. Speaking only for myself, Mr. President, but, I feel, also for a great majority of this body on both sides of the aisle and a great majority of the American people, so far as I am concerned I shall take the position that we should remain here, no matter how many days it may require, until we pass a military manpower bill that will protect the security of the Nation in this great hour of crisis. I am convinced that if, as the result of any parliamentary maneuvering we adjourn without the passage of such a bill, such action

would be heard the globe around. It would carry with it some serious implications as to our intention and power to enforce the peace.

I want to say this as one who proposed what he believed to be some reasonable amendments to the draft bill when it was before the Senate. The Senate took action which resulted in the adoption of some and the defeat of some of my amendments. I shall take the same position I should take if I were a member of the conference committee considering the bill. The Senate by majority vote having spoken, I would defend the bill as passed by the Senate. Hence, I serve notice here and now that, as one Member of the Senate, I shall support any attempt to prevent prolonged debate in the nature of a filibuster on manpower legislation in the Senate of the United States between now and adjournment. In fact, I shall take the position that we must remain in session until we break any such parliamentary maneuver as that if it should develop.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	O'Connor
Baldwin	Hayden	O'Daniel
Ball	Hickenlooper	O'Mahoney
Barkley	Hill	Pepper
Brewster	Hoey	Revercomb
Bricker	Holland	Robertson, Va.
Bridges	Ives	Robertson, Wyo.
Brooks	Johnson, Colo.	Russell
Butler	Johnston, S. C.	Saltonstall
Cain	Kem	Smith
Capehart	Kilgore	Sparkman
Chavez	Langer	Stennis
Connally	Lucas	Stewart
Cooper	McCarthy	Taft
Cordon	McClellan	Taylor
Donnell	McFarland	Thomas, Okla.
Downey	McKellar	Thye
Dworshak	McMahon	Tydings
Eastland	Magnuson	Umstead
Eaton	Malone	Vandenberg
Ellender	Martin	Watkins
Ferguson	Maybank	Wherry
Flanders	Millikin	White
Fulbright	Moore	Wiley
Green	Morse	Williams
Gurney	Murray	Wilson
Hatch	Myers	Young

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

LONG-RANGE AGRICULTURAL PROGRAM

The Senate resumed the consideration of the bill (S. 2318) to provide for a coordinated agricultural program.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the junior Senator from Kentucky [Mr. COOPER] on behalf of himself and his colleague, the senior Senator from Kentucky [Mr. BARKLEY].

Mr. COOPER and Mr. BARKLEY asked for the yeas and nays, and they were ordered.

The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk called the roll.

Mr. WHERRY. I announce that the Senator from Delaware [Mr. BUCK], the Senator from Kansas [Mr. REED], and the Senator from New Hampshire [Mr. TOBEY] are detained on official business. If present and voting, the Senator from

Delaware [Mr. BUCK] and the Senator from New Hampshire [Mr. TOBEY] would vote "nay."

The Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], and the Senator from Indiana [Mr. JENNER] are necessarily absent. If present and voting, the Senator from South Dakota, the Senator from Kansas, and the Senator from Indiana would vote "nay."

The Senator from Massachusetts [Mr. LODGE] is necessarily absent and is paired with the Senator from Georgia [Mr. GEORGE]. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Georgia would vote "yea."

The Senator from California is absent by leave of the Senate. If present and voting, the Senator from California [Mr. KNOWLAND] would vote "nay."

Mr. BARKLEY. The Senator from Virginia [Mr. BYRD], the Senator from Louisiana [Mr. FEAZEL], and the Senator from Rhode Island [Mr. McGRATH] are necessarily absent on official business.

I announce that the Senator from Georgia [Mr. GEORGE] is absent because of a death in his family.

The Senator from Nevada [Mr. McCARRAN] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having been appointed a national delegate by the President to the annual conference of the International Labor Organization, meeting in San Francisco, Calif.

I announce further that the Senator from Georgia [Mr. GEORGE] who would vote "yea," if present, is paired with the Senator from Massachusetts [Mr. LODGE], who would vote "nay," if present.

The result was announced—yeas 41, nays 40, as follows:

YEAS—41

Baldwin	Holland	O'Connor
Barkley	Johnson, Colo.	O'Mahoney
Capehart	Johnston, S. C.	Pepper
Chavez	Kilgore	Revercomb
Connally	McClellan	Robertson, Va.
Cooper	McFarland	Russell
Downey	McKellar	Smith
Eastland	McMahon	Sparkman
Eaton	Magnuson	Stennis
Fulbright	Malone	Stewart
Hatch	Maybank	Taylor
Hayden	Moore	Tydings
Hill	Murray	Umstead
Hoey	Myers	

NAYS—40

Aiken	Green	Saltonstall
Ball	Gurney	Taft
Brewster	Hawkes	Thomas, Okla.
Bricker	Hickenlooper	Thye
Bridges	Ives	Vandenberg
Brooks	Kem	Watkins
Butler	Langer	Wherry
Cain	Lucas	White
Cordon	McCarthy	Wiley
Donnell	Martin	Williams
Dworshak	Millikin	Wilson
Ellender	Morse	Young
Ferguson	O'Daniel	
Flanders	Robertson, Wyo.	

NOT VOTING—15

Buck	George	McGrath
Bushfield	Jenner	Reed
Byrd	Knowland	Thomas, Utah
Capper	Lodge	Tobey
Feazel	McCarran	Wagner

So the amendment of Mr. COOPER, on behalf of himself and Mr. BARKLEY, to the committee agreement, was agreed to.

Mr. BARKLEY. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. TYDINGS. I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. HICKENLOOPER in the chair). The question is on the motion by the Senator from Maryland [Mr. TYDINGS] to lay on the table the motion to reconsider.

Mr. AIKEN. On this motion I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. WHERRY. I announce that the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], the Senator from Indiana [Mr. JENNER], and the Senator from Maine [Mr. WHITE] are necessarily absent. If present and voting, the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], and the Senator from Indiana [Mr. JENNER] would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] and the Senator from Kansas [Mr. REE] are detained on official business. If present and voting, the Senator from Pennsylvania [Mr. MARTIN] would vote "nay."

The Senator from California [Mr. KNOWLAND] is absent by leave of the Senate and is paired with the Senator from Oklahoma [Mr. MOORE] who is detained on official business. If present and voting, the Senator from California would vote "nay" and the Senator from Oklahoma would vote "yea."

The Senator from Massachusetts [Mr. LODGE] is necessarily absent and is paired with the Senator from Georgia [Mr. GEORGE]. If present and voting, the Senator from Massachusetts would vote "nay," and the Senator from Georgia would vote "yea."

Mr. BARKLEY. The Senator from Virginia [Mr. BYRD], the Senator from Louisiana [Mr. FEAZEL], and the Senator from Rhode Island [Mr. McGRATH] are necessarily absent on official business.

I announce that the Senator from Georgia [Mr. GEORGE] is absent because of a death in his family.

The Senator from Nevada [Mr. McCARRAN] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having been appointed a national delegate by the President to the annual conference of the International Labor Organization, meeting in San Francisco, Calif.

I announce further that the Senator from Georgia [Mr. GEORGE], who would vote "yea," if present, is paired with the Senator from Massachusetts [Mr. LODGE], who would vote "nay," if present.

The result was announced—yeas 42, nays 38, as follows:

YEAS—42

Baldwin	Fulbright	Kilgore
Barkley	Green	McClellan
Capehart	Hatch	McFarland
Chavez	Hayden	McKellar
Connally	Hill	McMahon
Cooper	Hoey	Magnuson
Downey	Holland	Malone
Eastland	Johnson, Colo.	Maybank
Ecton	Johnston S. C.	Murray

Myers
O'Connor
O'Daniel
O'Mahoney
Pepper

Revercomb
Robertson, Va.
Russell
Smith
Sparkman

Stennis
Stewart
Taylor
Tydings
Umstead

NAYS—38

Aiken
Ball
Brewster
Bricker
Bridges
Brooks
Buck
Butler
Cain
Cordon
Donnell
Dworshak
Ellender

Ferguson
Flanders
Gurney
Hawkes
Hickenlooper
Ives
Kem
Langer
Lucas
McCarthy
Millikin
Morse
Robertson, Wyo.

Saltonstall
Taft
Thomas, Okla.
Thye
Tobey
Vandenberg
Watkins
Wherry
Wiley
Williams
Wilson
Young

NOT VOTING—16

Bushfield
Byrd
Capper
Feazel
George
Jenner

Knowland
Lodge
McCarran
McGrath
Martin
Moore

Reed
Thomas, Utah
Wagner
White

So Mr. BARKLEY's motion to reconsider was laid on the table.

Mr. SALTONSTALL obtained the floor.

Mr. AIKEN. Mr. President, will the Senator yield to me?

Mr. SALTONSTALL. I yield.

Mr. AIKEN. Mr. President, I should like to say a word about the vote which has just been cast. I realize that this vote, giving special privilege to a single agricultural commodity, and possibly to be followed by votes which will give special privilege to other commodities, may be the start of the break-down of this bill. It is very apparent that many Members of the Senate are not in a mood to enact any long-range legislation on this subject.

I think it is a most ridiculous spectacle for the President of the United States to be traveling thousands of miles around the country advocating the enactment of this bill, as he did by name in Los Angeles only the other evening, and then have only three or four members of his own party support him in the Senate. I think it is a sorry spectacle to see a great party disintegrate to that extent, to see how little regard they have for the opinions of their leader.

I should like to call attention to what those votes mean. I suppose the Senators who supported the amendment expect that Congress is merely going to pass the stopgap bill of the House of Representatives, and it is possible that may be done. Let us see what that would mean. Let us see what would happen to citrus fruits, for instance. Under the stopgap bill, a few millions of dollars will be available for the purchase of citrus fruits. However, under this bill there would be between \$300,000,000 and \$400,000,000 available for the purchase of fruits and vegetables and other non-basic commodities to support the price, if necessary.

The House bill extends the support price for wool for only 1 year, and that is meaningless. The Senate bill, which we are asked to vote on, and on which the members of the committee have worked for months, in trying to put it into shape and get it ready for passage, would give perpetual price support to wool.

Mr. President, I think it is just too bad that while the President of the United States is traveling over the country advocating a long-range farm program that his party here in Congress is doing everything within its power to prevent any program for the benefit of the farmers of the United States from being enacted.

I wish to say that there is one group that will be very happy over the defeat of a long-range farm program bill, and that is the group of men whose names appeared in the newspapers this morning as being indicted for failure to register as lobbyists. I know what interests certain persons have in killing this bill, and I know the opposition that has labored against it in the Cotton States. Let me state what happened. Some of the men whose names were in the newspapers this morning have been very interested in this bill—one of them, at least. If this bill passed, it would temporarily reduce the parity price of cotton. In the long run, it is the best bill the cotton growers of the country have ever had offered to them. But what would happen if this bill passed?

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. No; I decline to yield now.

Mr. President, what would happen, I repeat, if this bill passed? The result would be that the speculators who have bought futures in cotton would take a licking. So they are going to be extremely happy as a result of this vote, which starts toward breaking down this long-range agricultural program bill on which we have worked for months and months, and which ought to become law, and for which the farmers of the United States have been hoping for more than 10 years.

I wish to express my appreciation to the senior Senator from Illinois [Mr. LUCAS], the senior Senator from Louisiana [Mr. ELLENDER], and the Senator from Oklahoma [Mr. THOMAS] who voted for this measure.

Mr. President, political tactics have been practiced here, which may sacrifice the general welfare of the farmers of the United States for years to come.

The stopgap bill will not support the wool growers to any appreciable extent. It will not help the citrus fruit growers or the apple growers. The citrus fruit growers of Florida can look forward again to getting from 5 to 15 cents a box for their grapefruit next winter, whereas if the Senate bill passed they should get a decent price.

Several Senators addressed the Chair.

Mr. AIKEN. Now let them say what they like.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. SALTONSTALL. Mr. President, I wish to offer two brief amendments in the name of the Senator from Michigan [Mr. FERGUSON] and myself and then I shall be glad to yield the floor. The amendments are offered to page 82 of the bill.

Mr. THYE. Mr. President, I want to know whether the Senator will yield to

me for a moment. I should like to comment—

Mr. SALTONSTALL. Mr. President, I regretfully decline to yield, because I have declined to yield to Senators on the other side of the aisle.

I should like to complete my statement, and then yield the floor.

Mr. President, in the name of the Senator from Michigan [Mr. FERGUSON] and myself, I offer the two technical amendments to section 302, on page 82 of the bill. I understand that the amendments are acceptable to the Senator from Vermont, who is in charge of the bill. So I offer the amendments at this time.

The PRESIDING OFFICER. Does the Senator from Massachusetts offer the amendments en bloc?

Mr. SALTONSTALL. Yes, they are offered en bloc.

The PRESIDING OFFICER. The amendments will be stated.

The CHIEF CLERK. In the committee amendment on page 82, line 3, after the word "determined," it is proposed to insert: "by the Secretary after reasonable public notice and public hearing with records of said hearing and a finding thereon by said Secretary available to the public."

On page 82, line 6, it is proposed to strike out "in the national interest" and insert "in the interest of national security."

The PRESIDING OFFICER. The question is on agreeing to the amendments submitted by the Senator from Massachusetts, which are to be considered en bloc.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. Will the business before the Senate be stated?

The PRESIDING OFFICER. It has been stated, and it will be stated again.

The question is on agreeing to the amendments submitted by the Senator from Massachusetts, which are to be considered en bloc.

Mr. SALTONSTALL. Mr. President, I simply state that these are technical amendments to make sure that before the Secretary of Agriculture undertakes to exercise certain powers given him by this section, there shall be a public hearing, and that notice of such public hearing and of his findings shall be given before he exercises that power.

The second amendment changes the words "in the national interest" to the words "in the interest of national security."

I understand that the amendments are acceptable to the Senator from Vermont [Mr. AIKEN], with whom I have discussed them.

Mr. BARKLEY, Mr. THYE, and other Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. THYE. Mr. President, will the Senator from Kentucky yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Minnesota?

Mr. BARKLEY. Not at the moment. I desire to comment on the remarks of the Senator from Vermont, and I will not yield at the moment.

Mr. President, I am sorry that the usually calm and self-possessed Senator from Vermont has permitted himself to become overexcited as a result of the adoption of the amendment upon which the Senate just voted. I am especially sorry he took advantage of the adoption of the amendment to inject politics into the consideration of the over-all agricultural legislation. I am sure that when the Senator finds a calmer moment, which he will do, he will not feel that the Senator from Kentucky and his colleague who sits on the other side of the aisle were playing politics when we offered the amendment or that the Senate was playing politics when it adopted it, or that it destroys the bill, or that it is inimical to the interests of any other grower or of any other crop or of any other product of any kind in the United States.

It is true the President has recommended long-range agricultural legislation, and he may have endorsed yesterday or any other day, in principle, the legislation which the Senate is now considering. But certainly the President of the United States by any endorsement he might give to this legislation did not expect us to take it without the crossing of a "t" or the dotting of an "i" or without any amendments to it; otherwise the amendments already adopted and accepted by the Senator from Vermont would vitiate the legislation according to that standard.

Mr. President, we argued the amendment in good faith. We presented the facts with respect to the special situation which surrounds tobacco and which everyone recognizes. The adoption of an amendment on that one subject had no effect whatever on any other product, any other crop, or any other part of the United States from an agricultural or economic standpoint. I do not know what the chances may be of securing over-all legislation. If there is a defeat of over-all legislation it will not take place in this body as the result of the adoption of the amendment just voted on.

Mr. AIKEN. Mr. President, if the Senator will yield, does he mean he is opposed to the amendment which is to be offered by the Senator from Georgia, which would defeat a long-range program?

Mr. BARKLEY. If I am convinced when the time comes to vote on that amendment that we cannot obtain long-range legislation, I shall vote for it, because it will be necessary to extend the present law beyond the 31st of December, in order to have any price support at all.

Mr. AIKEN. If the Senator will yield further, I might say that perhaps I was wrong in not pointing out to the Senators on the other side, before they voted, just what they were doing to their States in helping to break down a long-range program. I supposed they all knew what they were doing. If they did not, they misunderstood.

Mr. BARKLEY. Mr. President, I am sure that those who voted against the amendment at least thought they knew what they were doing.

Mr. AIKEN. I also assume that both Senators from Kentucky knew what they were doing when they offered the amendment which has now been adopted, which actually reduces the support on tobacco if S. 2318 is not enacted.

Mr. BARKLEY. We were taking our chances on that.

Mr. AIKEN. I desire to say, too, for the benefit of both Senators from Maryland that the long-range bill would increase the parity price of Maryland tobacco approximately 16 or 18 cents a pound.

Mr. BARKLEY. I do not suppose any Senator representing a tobacco-growing State would weep very copious tears if an increase in the price of his product were vouchsafed by reason of legislation. What I wanted to say was that if the legislation providing an over-all program is not enacted, it will not be on account of the amendment the Senate has just adopted; it will be for other reasons. The fact that the legislation is only brought here now, at the end of the session, may have made some contribution to the inability of the two Houses to get together on it.

Mr. AIKEN. Mr. President, the legislation has been here for 6 weeks.

Mr. BARKLEY. The committee in the House has not considered the legislation, and I am advised will not consider it at this session.

Mr. AIKEN. Mr. President, will the Senator yield, in all fairness?

Mr. BARKLEY. I yield.

Mr. AIKEN. First, I should like to say the legislation was brought to the Senate on the 15th of May. Next, I should like to say that, regardless of what the House does now, the House committee had an appropriation of \$25,000 made available to them last fall that they started and took their first step in the direction of long-range agricultural legislation before the Senate committee started; and that the House committee held considerably more hearings than did the Senate committee. I am sure most members of the House committee are familiar with the legislation which we are acting upon here now, and would be ready to act upon it on short notice if it came to the floor of the House.

Mr. BARKLEY. I do not know, but I am told by members of the House committee they will not consider the legislation without holding further hearings. We know the difficulty which will be encountered concerning this bill if we adjourn Saturday. I have done what I could to cooperate with the majority in bringing about an adjournment, because I think if we sit here until after the convention, or if we sit here between the conventions, or after the two conventions, the entire time of the Congress will be taken up with political bickering and political legislation and political oratory, and I do not want that to be brought about. I want to finish what we can finish and adjourn the Congress, and I have tried my best to cooperate with the lead-

ers on the other side to bring about an adjournment.

Mr. AIKEN. Mr. President, I wish the Senator would permit me to say that the House committee started holding their hearings on the long-range program the same day the Senate committee began. We had a joint hearing of the committees to hear the Secretary of Agriculture. The House has held more hearings than the Senate, and admittedly they may not have been as fruitful.

Mr. BARKLEY. Be that as it may, this is Thursday before the contemplated adjournment on Saturday. They have not reported any proposed legislation of this character, and I am advised they will not do so; but that is not our responsibility.

Mr. THYE. Mr. President, will the able Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. THYE. The situation is most regrettable. I frankly say to the senior Senator from Kentucky and the junior Senator from Kentucky that I have a great respect and admiration for both of them. My reason for asking to be recognized now is not on the basis of criticism. The Senators could offer the amendment, and if they succeeded in having it adopted it would show they had more friends than those of us who opposed the amendment had. I desire to refer to the question now in order that Senators may understand how thoroughly the committee went into the study of the entire subject, and into the development of the thoughts embodied in this particular long-range agricultural bill. The committee held hearings all over the Nation, and came forth with recommendations which are embodied in the bill, as they got them from the producer groups of the Nation.

In order that the senior Senator from Kentucky may fully appreciate how much thought we gave to the matter and how we attempted to be fair in every sense in dealing with all the price structures—and that is why I say it is regrettable that Senators must in a way break it up into little pieces and have special prices in the parity formula for certain commodities, I should like to say to him that if we had wanted to be technical we could have raised the question for the dairy producer in this same manner: During the war years the Congress, through the Commodity Credit Corporation and the marketing organization of the Department of Agriculture agreed that, in order to keep the price of different products down so that the consumer would not have to pay excessive prices, they would pay to the producer a daily feed subsidy payment. They also paid to the processor a subsidy payment. That held the price of milk down to the producer. When we commenced to figure parity, none of us quarreled about having subsidy prices included. We said, "We will take what the producer actually receives per hundred pounds for milk and per pound for butterfat," and if we had wanted to be technical and had asked for special consideration to firm up the price to the producer by use of the subsidy, we would have found that in the case of milk the parity price in the

formula would have been, without subsidies figured in, \$4.12; with subsidies figured in, \$4.35. That would have made a difference of 23 cents higher per hundred pounds.

On butterfat, without subsidies figured in, it would have been 65.2 cents; with subsidies figured in, 69.7 cents; a difference of 4.5 cents per pound of butterfat.

We did not argue the fact that a subsidy had been given the producer. We might have said it was a subsidy to the consumer, rather than to the producer. We took it on the basis of what the farmer had received. That is why it is so regrettable, to me, to see ourselves involved in an argument which might well destroy the chances of the passage of the bill. Furthermore, it gives an opportunity to another group to say, "Give me a special privilege, because you recognized the tobacco people and gave them a special privilege in parity insofar as their commodity is concerned."

Mr. BARKLEY. Mr. President, I do not care to consume the time of the Senate in arguing and rearguing the merits of the amendment which has been offered. In all our legislation on agriculture we have placed tobacco in a special category because it occupied a special situation. But I shall not go into that. What I want to refute is the idea that because we have adopted one amendment, in the exercise of our judgment, with reference to a product which contributed before the war one-eighth of the entire revenue of the Government, we have destroyed agricultural legislation. There is no excuse for any such red herring to be drawn across the fabric of this legislation because we have adopted one amendment.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Florida.

Mr. PEPPER. Mr. President, I want to make a brief observation to the able Senator from Vermont who is in charge of the bill, if I may have his attention. I am sure the Senator is conversant with the old adage which says "Whom the gods destroy they first make mad." I am sure the distinguished Senator from Vermont will not succeed in the persuasion of his colleagues as to the merits of his bill by rebuking and reproving those who may happen to vote a certain way. If the able Senator so departs from his usually genial manner of persuasive arguments as to follow that false policy, I think he will share the responsibility for the ill fate which may overtake the measure which he is sponsoring.

Mr. President, we voted a short time ago. I was not aware that it was customary in the Senate for Senators to have to explain to their colleagues the discretion which they employed upon the Senate floor. So far as concerns the advice which was given by the able Senator from Vermont to my colleague and to me, that we would have to explain to our people, I will say that it has been customary for Senators to explain to their own people, but not to feel the necessity of explaining to others. We felt in this matter that there was a justifiable distinction for this particular

amendment. We consulted about it, we thought about it, and we considered the small number of buyers. We were debating a few moments ago the limited market which exists, with almost the power of conspiracy that the few purchasers have over the market, and I felt justified, on account of the peculiar facts pertaining to the matter, in voting for the amendment offered by the able Senators from Kentucky. If I do not err, I think almost every Senator from the tobacco area voted the same way, certainly with no ill will, and, in my case, certainly with no indisposition toward the final passage of the bill itself.

I want to say to my distinguished colleague that I am proud to be a member of the Committee on Agriculture and Forestry, and it is my intention generally to support the bill. I do not intend to support the substitute. But the Senator must make it plain, in my humble judgment, what the bill does, and the strength and merit of it, and by his persuasion and by his argument convince his colleagues, rather than to attempt to intimidate them by his rebuke and stern reproof, which are so out of character with the genial and able Senator from Vermont. I am sure his offense will not be repeated.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Kentucky. He has been on his feet for some time.

Mr. COOPER. Mr. President, I have the highest regard and respect for the distinguished Senator from Vermont [Mr. AIKEN], and I speak only out of respect for my friend and colleague the senior Senator from Kentucky [Mr. BARKLEY].

I have stated repeatedly that I intended to support the pending bill. Before I offered the amendment for myself and my colleague, I notified the chairman of the Committee on Agriculture and Forestry and several of the members of that committee, of my intended action. Last night it was announced that the amendment would be the pending business today and that I would discuss its provisions at 11 o'clock, and ample notice and opportunity was given every Member to study its provisions.

Today, upon the commencement of debate I admitted, as my colleague from Kentucky later admitted, that the amendment did give special consideration to tobacco with respect to support price. In our arguments we presented the reasons which we believed justified its adoption and I can say that we presented the arguments against it. Every Member had an opportunity to make a decision upon the amendment. I can say for myself, and I know I would have the confirmation of other Senators on this side of the aisle, that I did not urge anyone of the majority to vote for the amendment, other than upon its merits. I am sure that those who voted for it did so upon the basis of their conviction as to its merits.

During the course of the debate I said that I would vote for the farm bill so ably advocated by the distinguished Senator from Vermont [Mr. AIKEN], and

I intend to vote for it. I agree with my colleague from Kentucky that the amendment which we presented does not affect adversely the bill. It is fair in its terms, because it deals with a special problem. If the majority—and I speak to my own side—vote for the farm bill, it will be passed. We cannot shift the responsibility to the minority. If we want to vote for the farm bill, we will vote for it, and it will pass.

I simply make this statement out of respect and affection for my colleague and in justice to all of those who supported the amendment.

Mr. BARKLEY. I want to thank my colleague. I have said all I want to say except that I hope other Senators will not be frightened by the fear which the Senator from Vermont [Mr. AIKEN] has sought to inject into their hearts by the adoption of one amendment.

I yield the floor.

Mr. AIKEN. Mr. President, will the Senator yield to me before he yields the floor?

Mr. BARKLEY. I yield to the Senator from Vermont.

Mr. AIKEN. I should like to state for the RECORD the changes in the parity of different types of tobacco which the present law provides and which the present bill would provide. It would increase the parity price of burley and flue-cured tobacco between $3\frac{1}{2}$ and 5 cents a pound. I leave that latitude because the figures I have are for March 15.

It would increase the parity price of Maryland type 32 tobacco approximately 19 cents a pound.

It would increase the parity price of Pennsylvania seed-leaf tobacco approximately 3.6 cents a pound.

It would increase the parity price of Connecticut wrapper tobacco from 98.9 cents a pound to \$1.63 a pound, which is almost 60 or 70 percent.

The reason for the lesser change in the flue-cured and burley tobaccos is that some years ago the flue-cured and burley tobacco growers came to Congress and secured a different base period. In S. 2318 we offer a proposal to put tobacco parity prices in the order in which they should be, namely, a slight increase of approximately 10 percent for burley and flue-cured tobacco, an increase of approximately 40 percent for Maryland tobacco, and an increase of 60 to 70 percent for the northern Connecticut-type wrapper tobacco.

Mr. TYDINGS. Will the Senator from Kentucky yield?

Mr. BARKLEY. I yield to the Senator from Maryland.

Mr. TYDINGS. If I may have the attention of the Senator from Vermont, is it correct or not that the Maryland tobacco farmers have not heretofore shared in any support program?

Mr. AIKEN. The Maryland tobacco farmers' support prices and parity prices have been completely out of line with burley and flue-cured.

Mr. TYDINGS. That was not my question.

Mr. AIKEN. I do not know whether they have ever shared in the support program.

Mr. TYDINGS. I think the Senator will find that the Maryland tobacco farmers have not come in under the support program, which has been in effect for a long time, and they are asking for it now only because it has become the settled policy of the country. The point is that they have "taken it on the chin" when times are bad and shared in the prosperity of the country when times were good. This is the first time they have ever been in the support program, so far as I know. I wish to bring out that, therefore, there could not be any decrease in their benefits, because heretofore they have not had any.

Mr. AIKEN. I would say that I think one reason why they have not shared in the support price is because of the inequitable parity price which they have received.

Mr. TYDINGS. No; they asked particularly, when this program was first initiated, to be excluded rather than included under it.

Mr. AIKEN. Then they probably will not be very happy now to get 10 or 12 cents a pound less support than they would under Senate bill 2318.

Mr. TYDINGS. This year, I understand, the price was so low that with the rest of the country receiving the benefits of support prices, they feel they must come in as a matter of self-defense.

The PRESIDING OFFICER. The question is on agreeing to the amendments submitted en bloc by the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. HOLLAND. Mr. President, I appreciate that the distinguished Senator from Vermont has labored long and ably upon the pending bill. I appreciate that his desire has imbued him with such confidence in the bill, including all its provisions, that he very probably is acting under his own convictions when he insists upon the Senate passing his bill without dotting any "i's" or crossing any "t's," but I say respectfully to the Senator from Vermont, if he will be kind enough to give attention to what I am saying now, that in my humble judgment he far transcends the bounds of ethics and of proper conduct on the floor of the Senate when he questions the sincerity of conviction and the reliance upon their conscientious convictions of Senators who happen to differ with him and with his judgment upon one phase of the bill.

It so happens, Mr. President, that I am strongly in support of the bill in general. I so advised the distinguished Senator from Vermont only this morning. That did not indicate by any means that I did surrender or that I should surrender my convictions upon every aspect of the bill, and upon each and every amendment which might be proposed to it.

I wish to say briefly to the Senator from Vermont that I have no feeling because of his accusations, because I suspect he has been led astray by his zeal. I join in the expressions given by my able colleague to the effect that the statements by the Senator from Vermont are entirely out of character. I have never heard him heretofore ques-

tion the good faith or the soundness of conscience of any of his colleagues.

Be that as it may, let me say that in my judgment this bill itself makes distinctions between various branches of agriculture which existed in the judgment of the committee or a majority of the committee, and which I think are justified. For instance, it makes distinction between basic commodities and nonbasic commodities, and it proceeds to accord different treatment to them. Likewise it makes distinctions between certain other commodities and the wool which was mentioned a few minutes ago by the distinguished Senator from Vermont. It makes distinctions between other nonbasic commodities and a certain agricultural commodity, potatoes, covered by an amendment which has been accepted by the committee.

If there are Senators present who, because of their experience, feel that there is yet another distinction which should be made, and stand up here to be counted in order that that distinction may be made in the bill, it is the humble opinion of the junior Senator from Florida that they should not be questioned for the soundness of their conviction merely because they state it and support it by their votes upon the floor of the Senate.

I join my able colleague in saying that, so far as he and I are concerned, we are quite willing to make our report and to render our account to our own constituents whom we represent. But let me say that while we are making our report and rendering our account to that large number of our constituents who happen to be producers of citrus fruit, I think we will be able to say to that considerable number of our people who produce tobacco that we have stood up for them, and for what we regard as their rights, and for equitable treatment for them, just as we have stood up for the larger group who happen to represent the great and growing citrus industry in the State of Florida.

So far as the junior Senator from Florida is concerned, he was born under an orange tree, he has always represented the citrus fruit producers of his State, he represented them in the city of Washington on citrus matters before he became chief executive of his State, the citrus industry has been his first love and major love in agriculture, and he has been very happy to note the treatment accorded to growers of citrus fruit in this bill. He is supporting the bill, and is supporting the treatment which is accorded them under the provisions of the bill.

Notwithstanding that is the fact, he feels that he also owes a duty to those in his State, and to the people elsewhere in the United States, who produce another agricultural commodity, namely, tobacco, and when in his experience and in his judgment he feels they are entitled to the treatment which is proposed by an amendment, he has the right to support that amendment without having his judgment questioned and the sincerity of his convictions assailed by another Senator who knows far less about the

tobacco industry than do the Senators from the States where tobacco is produced.

Insofar as the junior Senator from Florida is concerned, let me say to the Senator from Vermont that but a few months ago, in common with other Senators from the tobacco belt, I learned of a distressing incident, showing the strangle-hold which a relatively small number of buyers, representing the processors of tobacco, have upon the growers who produce tobacco. In a little town in our State, Jasper, in Hamilton County, there was organized a new market, with the approval of the United States Department of Agriculture, which had placed in that market graders to serve it. It was understood that there would be an adequate number of buyers there, but the buyers chose not to be there, and after a few days' operation, as my distinguished colleague will recall, we were advised that, not because that county had not produced a large volume of tobacco, much more than enough to support a market, not because the United States Department of Agriculture had not sent its graders there, because it had, but merely because the tobacco companies of the United States and elsewhere who have buyers at the markets saw fit, in their sole judgment, not to allow their buyers to come there, that market was closed, and the growers of that community were put to great expense, and a near disaster was visited upon them.

Mr. President, so far as I am concerned, I wish to speak with complete approval of the position taken by both of the distinguished Senators from Kentucky in differentiating the tobacco industry from any other agricultural industry of which I know. Not only is the reference to the buyer situation, which was so ably portrayed by both the distinguished Kentucky Senators, accurate, but their statement on the question of the nonfluctuating volume of tobacco produced is likewise accurate. Under the law now in effect the acreage which is planted to tobacco is controlled under a quota system which has been approved by the growers by an overwhelming percentage, and under which no grower who fails to keep within his quota under his allotment of acreage can have his tobacco supported by the price support system set up by the United States Government. There is not any large fluctuation, therefore, in the amount produced.

I fully and entirely agree with the conclusions stated by the junior and the senior Senators from Kentucky that that situation, bringing about as it does a more or less level production of tobacco, has to be differentiated very greatly from that of other agricultural industries.

Let us take the case of the citrus industry, in which the distinguished senior Senator from Florida [Mr. PEPPER] and myself are particularly interested, and which I think is equally a cause for concern to the Senators from Texas, from Arizona, from California, and perhaps from other States. Let me remind the distinguished Senator from Vermont that when we are talking about citrus we are talking about a crop which is pro-

duced on trees that were planted before the Senator was born, before any of us here in this body were born, because there are citrus trees in the Mediterranean area, for instance, now yielding fruit, which are over 500 years old. There are citrus trees in a grove belonging to my family, planted by my father with his own hands in 1881, and they are yielding more now than they have ever yielded at any time since they were planted. It is simply idle to talk about comparing production of trees like that, and on unlimited acreage, with production in an industry where the annual acreage quota is parceled out, man to man and farm to farm, in all the producing areas.

I am going to close in a moment. I want to say to the Senator from Vermont that I resent with all my being his charge that Senators who do not happen to agree with him are not following the convictions of their own consciences. So far as the junior Senator from Florida is concerned, if he had not taken this position, if he had not voted for what he thought was equity for his tobacco producers, he could not have followed the Senator from Vermont in his support of the bill as against the substitute measure, the House measure, which I understand is to be presented by the distinguished junior Senator from Georgia [Mr. RUSSELL], because in the judgment of the junior Senator from Florida it is so manifestly clear that unless there is a firm price-support system, not a fluctuating one, in the tobacco field, the tobacco growers are the ones who are going to suffer, and suffer badly. I, for one, without questioning the judgment of the Senator from Vermont and all who agree with him, merely want to say that I do not believe they have sufficiently considered the differences between the tobacco industry and these other great agricultural industries which are covered and protected by the bill.

So far as I am concerned, I would vote for the substitute measure, much as I want this bill and strongly as I will support it, rather than to see a relatively small but important group, so far as our State is concerned, mistreated and placed in such a situation that they can be hurt from year to year and at any time by the machinations of a group of buyers not constituting more in number than the fingers of my two hands.

So, Mr. President, I hope the distinguished Senator from Vermont will realize that he has been led too far by his zeal, and will offer apology, as he should, to those whose judgment happens to differ from his, and who have stood up for what they thought was right, and who should not be questioned as to the soundness or sincerity of their convictions by the Senator from Vermont or by anyone else on the floor of the Senate.

Mr. YOUNG. Mr. President—

Mr. SALTONSTALL. I yield to the Senator from North Dakota.

Mr. YOUNG. I want to say just a word in support of the position taken by the Senator from Vermont, that special amendments like the one just adopted will kill the bill. The whole

theory of the long-range farm bill is to get back to a stable peacetime support program, and away from the Steagall Act which provided for wartime supports to encourage great production in the long-range bill.

In the case of corn the support levels are reduced from \$1.60 to \$1.42 a bushel. In the case of wheat the support levels are reduced from \$2.21 to \$1.82 a bushel, a drop of 39 cents a bushel. I have accepted this lowered support on the theory that a farmer would much rather have a permanent support on a fair level rather than high levels for 1 year and probably in the end have no supports at all.

Whenever a crop such as tobacco is signaled out for special support higher than other commodities in peacetime, and then lower the supports of all other products of the great Middle West, then I for one will have to vote against this bill and in favor of the House bill if amended. I will not vote to provide special legislation for one agricultural commodity as against all the others.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. AIKEN. I should like to say in regard to the remarks of the junior Senator from Florida [Mr. HOLLAND], that the Senator from Vermont at no time intended to question the motives of any Senator across the aisle, nor does he question the right of any Senator on either side of the aisle to vote as he thinks he ought to on any question. I was simply making a statement of fact; that is, that the vote to give special legislation to one agricultural commodity in the proposed agricultural program is a vote to start tearing down the entire program itself.

I also wanted to point out to the producers of every State what the effect would be of doing away with Senate bill 2318 and the provisions it contains. I wanted to point out to the citrus growers of Florida that, if that bill is killed and they have to operate only under the stop-gap bill, they are going to get only the support they have received this year, which has been totally inadequate, and they will not be able to take advantage of the greatly increased support which Senate bill 2318 would have given to the citrus and the apple growers.

I desire to make one more statement of a fact of which I assume the Senator from Florida was not aware when he voted. If S. 2318 is defeated as a result of the adoption of this amendment, then the level of support to the tobacco growers of Florida and every other State will be lower than it would be under S. 2318. I have already pointed out that Senate bill 2318 provides an increase in the parity price of all types of tobacco, varying from about 10 percent in the case of burley and flue-cured tobacco, up to something like 60 percent in the case of Connecticut seed leaf tobacco.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. AIKEN. I was very sorry to see the political aspects of this vote, only three Members on the Democratic side

voting to sustain the committee's position on the long-range program, and only three or four on the Republican side voting against it. We have tried our best to keep this long-range agricultural program out of politics, and we have been successful up to now. The Senator from Illinois [Mr. LUCAS], who is now on his feet, will agree that at no time has politics entered into the writing of the bill. It is unfortunate that it should creep in at this time. But if it must be a political issue, thank God I am on the right side of it. If the Democrats want to kill the long-range agricultural program, I do not know any reason why any farmer should vote the Democratic ticket this fall. I noticed the senior Senator from Wyoming [Mr. O'MAHONEY] voting for this amendment, which, if carried further, can only spell disaster to the wool growers of his State. I noticed the junior Senator from Wyoming [Mr. ROBERTSON] voting against the amendment and for his sheep growers.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY and Mr. LUCAS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Vermont yield; and if so, to whom?

Mr. AIKEN. I yield to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I am intensely interested in this bill, as the Senator well knows. I am certainly interested in building a long-range agricultural program which will be acceptable to the farmers and the voters of the country.

I should like to know from the Senator what the impact of the amendment which has been adopted will be in relation to the farmers of my section so far as concerns parity prices on corn, wheat, or any other product which is raised. What will be the impact of the amendment upon those commodities?

Mr. AIKEN. When special advantages are given to one commodity, they must necessarily be taken from some other. The wheat growers and corn growers of the Senator's State never have protested in the least against this bill, which reduces the parity prices of their products.

If there is any commodity to which the bill gives special advantages, it is tobacco. I have explained the reason why. The tobacco grower is at the mercy of foreign government monopolies, which can break his prices unless we fix a floor below which they cannot go. So in the bill we have given what amounts to 90 percent parity to the tobacco growers of the country for an indefinite time. That means 90 percent of parity figured according to the present parity formula, or as good support as they are getting now. By the terms of the bill we would give much better support to Maryland tobacco and to the cigar-type tobacco than they now receive.

Mr. WHERRY. If the amendment remains in the bill, a special parity will be granted to tobacco which does not proportionately go to the producers of any other commodities, such as corn and wheat.

Mr. AIKEN. That is correct. Special additional advantages are given to the one commodity which had the greatest advantage given any commodity in Senate bill 2318.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BARKLEY. If the amendment which my colleague and I offered, and which the Senate adopted, reduces the parity price for tobacco below what is carried in the bill, how could that possibly affect any other commodity in the United States agricultural picture?

Mr. AIKEN. This is only a start.

Mr. BARKLEY. No, it is not a start.

Mr. AIKEN. I am not unaware of the purposes which exists in the breasts of some in this country to destroy the long-range farm bill. It can be done by one means or another.

Mr. BARKLEY. Is the Senator accusing me of trying to do that?

Mr. AIKEN. I am not; but the surest way to destroy any program is to start giving special privileges to this commodity, that commodity, and the other commodity simply because there are votes enough to do it.

Mr. BARKLEY. Mr. President, that statement is totally unfair.

Mr. LUCAS. Mr. President, I demand the regular order.

The PRESIDING OFFICER. The Senator from Vermont has the floor. Does he yield; and if so, to whom?

Mr. WHERRY. Mr. President, we are on the regular order. The unfinished business is the agricultural bill. The Senator from Vermont has the floor, and he can yield to whomever he pleases, for any question.

The PRESIDING OFFICER. The Chair is protecting the right of the Senator who has the floor.

Mr. AIKEN. I yield to the Senator from Illinois.

Mr. LUCAS. The only reason I demanded the regular order was that I wanted to determine to whom the Senator from Vermont would yield.

The PRESIDING OFFICER. The Chair will state that the regular order is Senate bill 2318, the long-range farm program bill.

Mr. LUCAS. I am sorry if I disturbed my good friend from Nebraska.

Mr. President, I wish to make one observation which I think is pertinent to the colloquy which is in progress. I believe that anyone who understands the bill must agree with the proposition that in the event the bill should be passed as is, with the amendment which was offered by the able Senators from Kentucky, tobacco would receive preferential treatment. Anyone who does not agree with that simply does not understand the bill. There can be no question about it. I am assuming, of course, that no other commodities will come in for preferential treatment, and that the same mandatory 90-percent parity will not be demanded for other commodities.

Mr. President, while I am on my feet, let me pay a tribute to the minority leader [Mr. BARKLEY]. He has done a great job in behalf of the tobacco amendment. I seriously doubt that my good

friend from Kentucky realizes what has been done by the adoption of this amendment. I say that with the utmost sincerity.

It so happens that the Senator from Oklahoma [Mr. THOMAS], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Illinois were members of the subcommittee which helped to write the bill. We went all over the country and held hearings. We tried to keep the issue as nonpartisan as possible, and we succeeded. Yet, strange as it may seem, we were the only three members on this side who voted against the amendment.

I did so knowing that once we permit one commodity to have preferential treatment under the bill, as has been done in the case of tobacco, then there is no reason why I should not offer an amendment to give the corn producers of my State the same kind of treatment. There is no reason why the Senator from North Dakota [Mr. YOUNG] should not offer an amendment to do the same for the wheat producers of his State. So we shall go down the line of basic and non-basic commodities, and give them all preferential treatment.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BARKLEY. What was it that happened yesterday with respect to potatoes? Something was done in regard to potatoes, putting them in a special classification. Some preference, priority, or favor was granted in the case of potatoes. I do not know just what it was, but it seems to have affected the situation so far as the author of the substitute is concerned.

Mr. LUCAS. The Senator from Vermont can explain what happened to potatoes, if anything. I was not in the Chamber at the time.

Mr. BARKLEY. I do not know whether it happened on the floor or not.

Mr. LUCAS. I am speaking now about a basic commodity which has been under the Agricultural Adjustment Act from the very beginning, namely, tobacco. The corn producers and the wheat producers have taken a terrific lacing in this bill, so far as the reduction of parity is concerned. However, I believe that the farmers in my section have vision enough to look far down the road on this agricultural program. They are attempting to get a stable program. We know that prices cannot continue high forever. What we shall do, if we are not careful, is to fool around and get no program at all—not even a continuation of the support prices they have had. That is what some folks want. I do not refer to the Senator from Kentucky, but there are some who want to kill the farm program and go back to 1938, or even farther back than that, if they can. I undertake to say that this attempt on the part of the Senator from Vermont and others who worked for months on the farm bill with the Department of Agriculture and with all segments of agriculture and other interested groups in this country represents a pretty good approach to a long-range farm program.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BARKLEY. I appreciate the hard work and the sincere effort devoted to the solution of this problem by the Committee on Agriculture and Forestry.

Mr. LUCAS. I am sure the Senator does.

Mr. BARKLEY. I have great respect for that committee, and I have been sympathetic with it. The tobacco grower has occupied a special situation in the Agricultural Adjustment Act all along.

Mr. LUCAS. Not on the question of parity.

Mr. BARKLEY. He was given a different base period, because of the conditions which exist in the tobacco industry.

Mr. LUCAS. He was entitled to that.

Mr. BARKLEY. When the bill was originally introduced, it was utterly impossible for tobacco to live on an equitable basis under it. The tobacco growers from all over the country came to Washington and went before the Committee on Agriculture and Forestry and asked for five changes in the provisions of the bill as originally introduced by the Senator from Vermont. Three of those changes were made. Two of the changes were not made. Now because my colleague and I have submitted an amendment asking for a fourth change, which was requested by the tobacco growers, are we to be castigated and accused of not knowing what we are doing, simply because we have asked for what the tobacco growers have asked for? They know more about what they need than anyone else does. Because we in the Senate vote to adopt as a part of the bill what the tobacco growers ask for, I do not think we should be held up to contumely and ridicule for doing what they ask for. We are trying to represent them in a fair way.

Mr. LUCAS. Mr. President, I am not castigating the Senator from Kentucky, and I do not expect to do so. I complimented him.

Mr. BARKLEY. The Senator said I did not know what I was doing.

Mr. LUCAS. No, I said the Senator did not know what he was doing if he contends that tobacco has no preferential treatment, providing the bill is adopted as is, with the amendment.

Mr. BARKLEY. Mr. President, it would seem that the Senator from Illinois and the Senator from Vermont do not agree. The Senator from Illinois says we have given tobacco special treatment by this amendment. The Senator from Vermont says that we have injured tobacco by the amendment.

Mr. LUCAS. Let me repeat that it is impossible to take a basic commodity such as tobacco and make it mandatory that it shall receive 90 percent of parity, regardless of how much is produced, and then say that corn and wheat shall receive from 60 percent to 90 percent of parity, depending on the amounts that are produced.

Mr. BARKLEY. Of course, the Senator does not contend that the parity price of tobacco will have the slightest effect on corn or wheat.

Mr. LUCAS. No; but that is not the point. The Senator does not want to reach the point, it seems.

Mr. BARKLEY. Does the Senator from Illinois mean that after we adopt the tobacco amendment, we have to adopt amendments for corn and wheat?

Mr. LUCAS. Certainly.

Mr. BARKLEY. That does not follow.

Mr. LUCAS. That is exactly what will follow. Now that tobacco is to have 90 percent of parity, it will be only fair to provide 90 percent of parity for corn and wheat, which is exactly what is provided under the Steagall amendment. Under it there is provision for practically 90 percent of parity for all basic commodities—and now that must be done under this bill, once the tobacco amendment has been adopted, if Senators wish to be fair. But if we make such a provision in this bill for all basic commodities, then we go back to the arrangement to which the Senator does not want to go.

I do not want to destroy the long-range farm program, but under the circumstances that will be done.

Mr. BARKLEY. Mr. President, I think it is perhaps a waste of time to talk further about what we have done, but it seems that other Senators are not willing to drop the subject. So I say that all we are doing is what has been done all along with respect to tobacco, because tobacco occupies a special situation which is not recognized in this bill without the amendment.

Mr. LUCAS. In the bill we recognize tobacco as being a commodity which needs special treatment. As the Senator has ably pointed out, tobacco gets a better deal under this bill. But I do not seem to be able to make myself understood.

I am saying that when one commodity is set aside and treated specially, and when the producers of that commodity are told, "We will give you 90 percent of parity, and we will guarantee it to you," but when the wheat growers and corn growers and the producers of other basic commodities and the producers of nonbasic commodities are told that they will not get that much, but will get a lower support price, depending on the amount of the commodity produced and the amount of the carry-over, then it is obvious that equal treatment is not provided. Certainly I cannot see that it is. If it is, then my name is not SCOTT LUCAS.

Mr. AIKEN. Mr. President, I wish to say with respect to the amendment just adopted that the amendment guarantees the tobacco grower 90 percent forever or for as long as the amendment remains on the statute books. Senate bill 2318 guarantees tobacco, in a sense, preferential treatment which would amount to a slightly higher support level for the next 2 or 3 years than the support level which will be available to tobacco growers under the present support-price program. However, there is no knowledge but what that might drop in future years. The Senator from Kentucky wants tobacco to be guaranteed 90 percent of parity forever. Certainly that is unfair to the producers of other commodities.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BREWSTER. I should like to have the Senator from Kentucky realize—inasmuch as I think he said he was not familiar with the potato amendment—that what the potato producers asked for was to be put in the 60-to-90-percent-of-parity class. So there was no discrimination at all in their favor. They are to have only the same provision that the producers of wheat, corn, and so forth will have.

Mr. BARKLEY. What was the status of the potato growers until that provision was adopted?

Mr. BREWSTER. They had been outside the provision allowing from 60 percent to 90 percent of parity; they had been under the Steagall amendment provision.

Mr. BARKLEY. I suppose they wished to get 90 percent of parity.

Mr. BREWSTER. The potato producers had it all the time, under the Steagall amendment.

Mr. BARKLEY. But that was to expire, I believe.

Mr. BREWSTER. Yes, on December 30.

Mr. AIKEN. Mr. President, I think I have no more to say, except to stand by what I have said: namely, that the amendment just adopted is harmful, and may mean the destruction of the long-range farm program. If the program is destroyed, those responsible for destroying it should be held accountable for their actions.

The PRESIDING OFFICER. The question is on agreeing to the two amendments submitted by the Senator from Massachusetts, which are to be considered en bloc.

Mr. O'MAHONEY. Mr. President, the distinguished and affable Senator from Vermont has twice honored me this afternoon with a reference to me in the castigation he has delivered against those who did not agree with him upon the last amendment. I hope he will not be angry with me throughout the day. I hope his sentiments will not last out the day, if indeed they last through the day.

It seems to me that the debate we have listened to since the vote on the motion to lay on the table was taken is a demonstration of the correctness of the rules of procedure in the Senate. I should like to read to the Senator from Vermont the rule which I think he has slightly, at least, violated today.

Mr. President, the Senator from Vermont spoke with such virility and in such a tone of voice that all of us listened to him. I know that I am not in the passion he was in, but I hope he will accord me the courtesy of listening to me now.

I was pointing out to the Senator from Vermont that when he delivered his rebuke to the Members of this body who voted to lay on the table the motion to reconsider the vote by which the tobacco amendment was adopted, he was speaking in such a timbre of voice that everyone here listened to him, and I hope he will listen to me for just a moment while I say to him that I believe the debate

which has taken place here illustrates the sound judgment of those who wrote the rules of debate under which the Senate is supposed to proceed. I doubt very much whether the Senator from Vermont had this rule in mind when he accused those of us who voted with the Senators from Kentucky of voting against our consciences.

This is the rule of debate, and is a part of rule XIX:

No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

I suggest to the Senator from Vermont that when he said, as he did upon this floor a few moments ago, that those of us who voted in support of the motion of the Senators from Kentucky were voting against our consciences and for purely political motives, he was violating that rule. I forgive the Senator that violation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. I ask the Senator, just when did the Senator from Vermont say the Senator from Wyoming was voting against his conscience?

Mr. O'MAHONEY. The Senator in his statement—and the RECORD would show it I am sure—was speaking in such fashion that he probably does not remember his words now.

Mr. AIKEN. Does the Senator from Wyoming remember them?

Mr. O'MAHONEY. The Senator designates those who voted this way as having voted from mere political motives and against convictions.

Mr. AIKEN. I do not—

Mr. O'MAHONEY. The Senator from Vermont accused the senior Senator from Wyoming twice of having voted against the wool growers of Wyoming.

Mr. AIKEN. I think he voted against their interests.

Mr. O'MAHONEY. The Senator is entitled to that opinion, but the RECORD shows the vote that was cast was a vote on a tobacco amendment. That can be a vote against the wool growers or against the growers of any other commodity, only if the Senator from Vermont intends to attempt to punish Senators who did not agree with him.

Mr. AIKEN. Does the Senator from Wyoming contend that when all but three Democrats vote on one side of a question and all but three Republicans vote on the other side, the question is wholly nonpolitical?

Mr. O'MAHONEY. I may say to the Senator I can never judge what the political motives of Senators may be on a divided vote.

Mr. AIKEN. The Senator is very astute.

Mr. O'MAHONEY. The Senator is very generous. I am merely expressing the hope the Senator's anger will not last out the day. I am pointing out to him that in all legislation, a vote in favor of one agricultural commodity is not a vote against another, unless the Senator in charge of the bill feels so deeply

about it that he will attempt to punish the growers of another commodity because of the vote the Senate has cast, evidently not in the manner he desired.

Mr. AIKEN. I do not know what the Senator from Wyoming means by punishment, but if the bill is defeated by a vote of all but 3 of the Democrats, the Senator from Vermont will do everything within his power to defeat the election of a Democratic Administration this fall. If that is punishment, the Senator will have to make the most of it.

Mr. BARKLEY. Mr. President, does not the Senator from Vermont intend to do that, anyway?

Mr. O'MAHONEY. I may say to the Senator from Vermont my belief is, regardless of what may be the decision of the Congress upon the pending bill, and regardless of the vote of any Democratic Member of this body upon the bill, the Senator from Vermont will be supporting the Republican ticket. I certainly do not cast my vote here upon the bill or upon any amendment to it in the hope of inducing the Senator from Vermont to support the Democratic ticket.

Mr. AIKEN. Of course the nonpolitical attitude of the Senator from Wyoming is well known. I am sure nobody in the country would accuse him of being politically minded. I certainly do not accuse him of casting his vote from political motives. I am sure he voted according to the dictates of his conscience, just as did the Senator from Illinois, the Senator from Oklahoma, and the Senator from Louisiana.

Mr. O'MAHONEY. I thank the Senator.

Mr. AIKEN. There must be consciences enough to go around on the other side of the aisle. [Laughter.]

Mr. O'MAHONEY. I am very glad the Senator has finally made that acknowledgment. As I say I hope the will not continue to hold his resentment against us to such an extent that he will vote against another commodity should an amendment be offered by one of those who did not vote with him.

Of course, I have no reason for giving any explanation whatever for any vote I may cast here to any other Member of the body. I am content to make my explanations of my votes to my own constituents. But I may say to the Senator from Vermont, that on numerous occasions he has indicated his belief in certain economic principles in which I also believe. The Senator has indicated on numerous occasions that he is an opponent of monopolies and restraints of trade and the great concentration of economic power which has made it necessary for us to have farm legislation. The Senator from Vermont knows very well that the industrial powers of this country have, on occasion after occasion, in year after year, denied to the agricultural group the equal break to which they are entitled. I am ready to compliment the Senator from Vermont here or anywhere and every day for the great fight he is making on behalf of agriculture, but I am sure he knows, as I know, there is probably no agricultural commodity produced in the

United States which is more the victim of monopolistic control than is tobacco. I may add my explanation to the Senator, though I need not make it, that I voted with the Senator from Kentucky because I believed the tobacco processors have a strangle-hold upon that agricultural product.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. Does the Senator believe the tobacco processors can keep a stranglehold upon the tobacco growers under the provisions of Senate bill 2318? Does he believe the bill treats the tobacco growers unfairly?

Mr. O'MAHONEY. Oh, not at all; I did not say so.

Mr. AIKEN. But the Senator voted against its provision.

Mr. O'MAHONEY. The Senator is quarreling with us because some of us voted against what he is pleased to call special treatment for tobacco. I justify my vote to the Senator and to anybody else who may be interested, upon the ground that I believe the situation is such that the tobacco growers are entitled to the consideration given in the amendment.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McFARLAND. I should merely like to make this comment: The Senator from Arizona does not come from a tobacco-growing State, nor does the junior Senator from Arizona use tobacco. Therefore, the junior Senator from Arizona was not trying to get a smoke out of the vote. But I may say that the votes of some of us have created more smoke than I have seen created by tobacco for a long time.

Mr. O'MAHONEY. Mr. President, I am content to say that the process of legislation is always a process of give and take, and eventually of compromise. Nobody ever gets what he would like to get, particularly upon a difficult and detailed bill, such as the one under consideration, which has been reported by the Committee on Agriculture and Forestry. I want to make it clear to the acting chairman of the committee and to all the members of the committee who have participated in the work upon the pending measure that I am appreciative of the labors they have performed. I hope their work will be crowned with success. I shall vote to support the bill, but I hope that the members of the committee will not adopt a defeatist attitude and act as though the adoption of a single amendment by a majority vote of the Senate will result in killing the legislation. It need not kill it. One vote upon one amendment will not decide the fate of this measure.

The PRESIDING OFFICER. The question is on agreeing to the amendments submitted by the Senator from Massachusetts [Mr. SALTONSTALL], which are being considered en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. O'MAHONEY. Mr. President, let us now test the issue. I offer the following amendment:

On page 81, line 8, I propose to insert, after the word "pounds" and before the period the words "of shorn wool."

That is a simple amendment intended to make it clear, which I think it was intended to be, that the 360,000,000 pounds of wool referred to in subparagraph (c) of section 302 is shorn wool. Wool is a commodity the production of which in the United States historically has been far less than the consumption. In only one year in the entire recent history of this industry has the United States produced more wool than it has consumed. That was in the depth of the depression.

The average percentage of domestic production of the amount consumed in the United States is less than 50 percent. In recent years the production of wool has been steadily declining, but the basis for wool was established in a year when the price of wool was the lowest in its history, and the result has been that, although the average price of all agricultural commodities has increased 146.9 percent, the price of wool has increased only 12.1 percent.

There are two types of wool—shorn wool and pulled wool. Pulled wool is only a comparatively small part of the total.

The average production of wool has been approximately 400,000,000 pounds. In 1932 it was 442,000,000 pounds. In 1933 it was 438,000,000 pounds. In 1936 it was 419,000,000 pounds. In 1940 it went up to 434,000,000 pounds. It fell off in 1947 to 310,000,000 pounds.

So that, as a matter of making an adjustment to fit the facts, I am urging this amendment so it will be made sure that the purpose of the bill is to support the price of wool at not in excess of 90 percent nor less than 60 percent of its parity price of January 1, so as to maintain an annual production of approximately 360,000,000 pounds of shorn wool, which is less than 33½ percent of the entire consumption of wool in the United States.

Mr. ROBERTSON of Wyoming. Mr. President, may I add to the words of my colleague and point out what I think is very important, that while the production of wool in the United States has decreased, the consumption has increased to a very great extent. At the time the production of wool in the United States was 450,000,000 pounds, which was referred to by my colleague, consumption was approximately 600,000,000 pounds, making it necessary to import approximately 150,000,000 pounds. During the war the consumption of wool increased to more than 1,000,000,000 pounds. While it was anticipated that that increase would drop with the end of hostilities, that has not proved to be the case. As a matter of fact, the consumption of wool today in the United States is approximately 1,000,000,000 pounds, and production is probably not more than 300,000,000 pounds. Anticipating the importation of approximately 700,000,000 pounds of wool each year, it is very nec-

essary that the domestic wool grower should be given every possible encouragement on a long-term basis to bring the production up at least to what it was some years ago, when it reached the figure of 450,000,000 pounds.

Mr. O'MAHONEY. Mr. President, will my colleague yield?

Mr. ROBERTSON of Wyoming. I yield.

Mr. O'MAHONEY. Mr. President, I have a table which shows the production of wool on a grease basis, the consumption, and the percentage that the domestic production is of the total consumption for the years 1918 to 1947. This table bears out what the Senator has just stated, that consumption has been increasing in the United States. For example, in 1934 the consumption in the United States was 381,400,000 pounds. That was the only year in the whole period when production exceeded consumption, which was in the depression period. Since that time consumption has been gradually rising, until in 1941, for the first time, it exceeded 1,000,000,000 pounds. The record in 1941, 1942, 1943, 1944, 1945, and 1946 has been well over 1,000,000,000 pounds.

I ask unanimous consent that the table may be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Wool shorn and wool pulled from domestic fleeces in the United States, and the annual mill consumption of apparel shorn and pulled wools, 1918-47

[In millions of pounds]

Year	Production (grease basis)	Consumption (apparel class) grease basis	Percent domestic production is of total consumption
1918.....	296.0	676.0	43.8
1919.....	318.4	503.7	56.5
1920.....	293.8	510.9	57.5
1921.....	290.2	597.4	48.6
1922.....	270.4	640.4	42.2
1923.....	272.7	603.1	45.2
1924.....	282.0	518.0	54.4
1925.....	300.0	525.2	57.1
1926.....	318.9	524.1	60.8
1927.....	339.5	551.1	61.6
1928.....	366.7	511.9	71.6
1929.....	382.3	554.7	68.9
1930.....	414.0	447.9	92.4
1931.....	442.4	545.2	81.1
1932.....	418.1	439.8	95.0
1933.....	438.4	572.2	76.6
1934.....	429.4	381.4	112.6
1935.....	427.5	748.4	57.1
1936.....	419.4	666.4	62.9
1937.....	422.3	579.5	72.9
1938.....	424.4	514.0	82.6
1939.....	426.2	673.8	63.2
1940.....	434.0	683.3	63.5
1941.....	453.3	1,011.8	44.8
1942.....	455.0	1,101.6	41.3
1943.....	444.0	1,134.3	39.1
1944.....	441.8	1,055.9	39.0
1945.....	378.4	1,057.9	35.8
1946.....	341.7	1,122.5	30.4
1947 ¹	310.1	915.0	33.9

¹ Revised.

² Preliminary, estimated.

Source: U. S. Department of Agriculture.

Mr. AIKEN. Mr. President, I should like to say in regard to wool and the amendment which has been offered, that the committee considered that the wool situation, not only in the United States,

but in the entire world, is approaching the crisis stage. There is an acute and growing shortage. Production in the United States has been constantly dropping, until last year it dropped to approximately 308,000,000 pounds of both pulled and shorn wool. The indications are—and the Senators from Wyoming will correct me if I am wrong—that it will drop below that figure this year. The committee felt that encouragement should be given to the wool industry, in the interests of national security. Not only did the growers advocate it, but representatives of the wool trade appeared this year with the growers and advocated a substantial support level for the price of wool. The committee felt, in choosing 360,000,000 pounds as the amount which should be produced in this country, we were taking a 10-year average production, and it appears to the committee that it will take several years to reach that total production.

In the bill the Secretary is instructed to support the price of wool at such level as will encourage production of 360,000,000 pounds. Inasmuch as the production at present is only 300,000,000 pounds, it would appear necessary to guarantee a 90-percent support price in order to approach that amount of wool production, even over a period of several years. We felt we were generous. If we had felt that 400,000,000 pounds should be the goal, we would have put it in, but we realized that the question of production exceeding 300,000,000 pounds would not arise for many years.

In regard to the stop-gap bill which has been passed by the House, so far as I can see, it affords no lasting protection to the wool grower. It extends the present support price of 42.6 cents a pound until June 30, 1950. Senate bill 2318 would result in a support level of something over 46 cents a pound, which would probably increase about 2 cents for next year.

What I wish to point out is that the House extends the present support level on wool until June 30, 1950. That means that the support level on wool is extended for 2 years for Texas, Arizona, and Oklahoma wool, because the growers in those States can get the wool to the market by June 30, but the wool produced up in the mountains of Wyoming, Montana, and Idaho, would get support for only 1 year, and that would undoubtedly be a year of high prices, when they will not need it, because they cannot get the sheep shorn and the wool to market by the last of June. So, so far as the House bill goes, it is utterly worthless to the wool growers, in my opinion. Perhaps I should not say "utterly worthless," it might conceivably be of benefit to the southern wool growers in the year 1950.

Mr. O'MAHONEY. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. O'MAHONEY. I merely wish to say that I quite agree that the bill which is now before the Senate is far superior to the mere continuing measure passed by the House, and I certainly hope that it is the bill which will prevail. I believe what the Senator has said is true

of the wool growers not only, but of the producers of all agricultural commodities affected by the bill.

Mr. AIKEN. The Senator from Wyoming evidently understands the difference between the two bills very well, and realizes that one gives long-time protection to the wool grower and a long-time support level, and that the other gives practically nothing at all.

Mr. O'MAHONEY. The other would operate just as a stopgap bill.

Mr. ROBERTSON of Wyoming. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield to the Senator from Wyoming.

Mr. ROBERTSON of Wyoming. I should like to say, in connection with the subject under discussion, namely, the great necessity of a long-range program, that the cause of the reduction in the production of wool over the years from 450,000,000 pounds to less than 300,000,000 this year is that the sheep which grow the wool have been reduced in number from some 51,000,000 to probably around 30,000,000, and it is necessary to have a long-range program to encourage the sheep man, the wool grower, to increase his flocks up to 50,000,000 again in order to get the full production of wool in this country, and in doing so to enable the proper use to be made of the range in the western part of the country for the grazing of sheep.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Wyoming.

Mr. O'MAHONEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	O'Daniel
Baldwin	Hawkes	O'Mahoney
Ball	Hayden	Pepper
Barkley	Hickenlooper	Reed
Brewster	Hill	Revercomb
Bricker	Hoey	Robertson, Va.
Bridges	Holland	Robertson, Wyo.
Brooks	Ives	Russell
Buck	Johnson, Colo.	Saltonstall
Butler	Johnston, S. C.	Smith
Byrd	Kem	Sparkman
Cain	Kilgore	Stennis
Capehart	Langer	Stewart
Capper	Lucas	Taft
Chavez	McCarthy	Taylor
Connally	McClellan	Thomas, Utah
Cooper	McFarland	Thye
Cordon	McGrath	Tobey
Donnell	McKellar	Tydings
Downey	McMahon	Umstead
Dworshak	Magnuson	Vandenberg
Eastland	Malone	Watkins
Eaton	Martin	Wherry
Ellender	Maybank	White
Feazel	Millikin	Wiley
Ferguson	Moore	Williams
Flanders	Morse	Wilson
Fulbright	Murray	Young
Green	Myers	
Gurney	O'Connor	

The PRESIDING OFFICER (Mr. KEM in the chair). Eighty-eight Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment.

Mr. AIKEN. Mr. President, I should like to say in regard to the amendment offered by the Senator from Wyoming that the amendment will make no difference in the support price of wool. It simply sets a little higher objective as the ultimate production, which would amount to probably 40,000,000 pounds a year more. Personally I do not find the amendment objectionable. I have no right to speak for the committee, because it has not voted on the amendment, but, so far as I am concerned, it is not an objectionable amendment, and will not result in any increase, or change in fact, in the support level of the price of wool.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment.

The amendment to the amendment was agreed to.

AMENDMENT OF THE CIVIL AERONAUTICS ACT OF 1938

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives which will be stated.

The bill (H. R. 4435) to amend the Civil Aeronautics Act of 1938, as amended, by redefining certain powers of the administrator, and for other purposes, was read twice by its title.

Mr. BREWSTER. Mr. President, I move that the Senate proceed to the immediate consideration of the bill. A similar bill is on the Senate Calendar, Order No. 1508, Senate bill 2466. Objection was made to the Senate bill when it was reached on the calendar by the Senator from Kentucky [Mr. BARKLEY]. The Senator's objection has been met by the preparation of two amendments which I propose to offer to the House bill. In the interest of expedition of the matter I hope the Senate will pass the House bill with the amendments, and that it may go to conference immediately. I ask for immediate consideration of the House bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 4435) to amend the Civil Aeronautics Act of 1938, as amended, by redefining certain powers of the Administrator, and for other purposes.

Mr. LANGER. Mr. President, would the Senator from Maine explain what the bill provides?

Mr. BREWSTER. The bill provides for the acquisition of rights in order to permit our airports to function more efficiently. It is a routine bill. It was reported unanimously by the Committee on Interstate and Foreign Commerce. The Senator from Nevada [Mr. MCCARRAN] objected to certain words in the bill, and he and the Senator from Kentucky [Mr. BARKLEY] have agreed on the language of the amendments which I now offer to the bill.

The PRESIDING OFFICER. The clerk will state the first amendment offered by the Senator from Maine.

The LEGISLATIVE CLERK. On page 3, line 4, after the word "airspace", it is proposed to insert "immediately adjacent thereto and needed in connection therewith."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Maine.

The CHIEF CLERK. On page 3, line 11, after the word "Congress" and before the period, it is proposed to insert a colon and the following: "Provided, That in the case of condemnations of easements through or other interests in airspace, in fixing condemnation awards, consideration may be given to the reasonable probable future use of the underlying land."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4435) was read the third time and passed.

Mr. BREWSTER. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BREWSTER, Mr. HAWKES, and Mr. JOHNSON of Colorado conferees on the part of the Senate.

Mr. BREWSTER. Mr. President, I ask that Senate bill 2466 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NATIONAL HEART INSTITUTE

Mr. MURRAY. Mr. President, one of the good things this Congress has done was to pass the bill creating a National Heart Institute. Congress thereby joined with the millions of Americans who are insisting that an effective attack be launched on heart disease—America's No. 1 killer.

But, Mr. President, the Congress has not yet appropriated the funds needed if the Heart Institute is to become a reality. Unless we do so before adjourning we will be guilty of inadvertently perpetrating a fraud on the public. The people know we have passed the heart bill. They think it means something. Let us be sure, before we adjourn, that it does mean something.

I am confident that my colleagues, the members of the Appropriations Committee, fully intend to take the necessary action to make available such funds as the National Heart Institute can use effectively. I am mentioning the matter merely to preclude any possibility of its being overlooked by reason of the great

pressure of work now confronting us and the haste at which we are moving.

In this connection, I ask unanimous consent to include in the record at the conclusion of my remarks an excellent and pertinent editorial from the New York Times of June 16. And in this connection too I want to inform the Members of the Senate of the results of a just-completed Gallup poll on this subject. I am informed that 80 percent of the American people have indicated that they are willing to pay increased taxes if that is necessary to finance an appropriation of \$100,000,000 to fight heart disease. I am sure that the Institute will need but a tenth of that amount. And I am sure that we will want to appropriate it. Let us make sure we do not forget.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MONEY FOR HEART ILLS

Both Houses of Congress have passed a bill which would establish a National Heart Institute to combat diseases of the heart and circulatory system through research, the training of physicians, and other means. Even if the President signs the measure, which harmonizes with his views on social security, we have no more than a declaration of good intentions in the absence of a specific appropriation. Fifteen million dollars is needed at once to do for heart diseases what is now being done for infantile paralysis and cancer. If Congress provides the money before it adjourns 9,000,000 who know that they have heart trouble will soon receive better medical care and the lives of 600,000 graver cases will be extended.

Because they account for most deaths, diseases of the heart should long ago have been more systematically studied than they are. Our negligence must be attributed chiefly to lack of funds. This year the United States Public Health Service can spend less than \$1,000,000 on diseases of the heart and the circulatory system, unless Congress comes to the rescue. The Biblical accusation that the life of a sheep is apparently worth more than that of a man seems to be justified when we learn that the Department of Agriculture will spend nearly \$30,000,000 this year on animal and plant diseases, and that 10 times more is to be spent on hoof-and-mouth disease in cattle, black spot in chickens, and even thrrips on gladioli than on diseases of the human heart.

Assuming that the President will sign the National Heart Institute bill, Congress should provide immediately the \$15,000,000 required for research, better hospital facilities (there are only 200 beds for cardiac cases in research clinics and only 909 special beds for cardiac convalescents), and for special courses that physicians wish to take. Less than \$3,000,000 in private and Government funds is available, a pathetically inadequate sum when we consider that, as the average age of the population rises there will be more reports of deaths from heart failure, and that 60,000,000, most of whom have slight heart defects of some kind and who are unaware of their condition, may be laid low at any moment. There is no question that the public will approve a congressional appropriation which cannot but promote the physical and economic welfare of nearly a third of the population.

LONG-RANGE AGRICULTURAL PROGRAM

The Senate resumed the consideration of the bill (S. 2318) to provide for a coordinated agricultural program.

Mr. TAFT. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks a letter in behalf of the long-range farm legislation, written to me by the Senator from South Dakota [Mr. BUSHFIELD].

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON AGRICULTURE AND FORESTRY,
June 14, 1948.

HON. ROBERT A. TAFT,
United States Senate,
Washington, D. C.

DEAR BOB: I have been concerned for some time over the long-range farm legislation which has been before the Senate for several months. As you know, I am a member of the Agriculture Subcommittee which drafted this legislation after extensive hearings last fall. The subcommittee, as well as the whole Agriculture Committee, has spent a considerable amount of time in studying this matter. The Alken bill, S. 2318, is truly a bipartisan attempt to deal with the long-range problems confronting American agriculture.

Since the bill was reported to the Senate last month I have been worried that action would not be taken on it. The late date which we have now reached compels me to beseech you to do everything possible to bring this matter to the attention of the Senate. I understand the House of Representatives has already passed stopgap price-support legislation. This is good as far as it goes, but it does not go far enough. I feel that now is the time for the Congress to do something about the problems of our farmers. The Senate Agriculture Subcommittee studied this problem very carefully. Testimony was obtained from approximately 300 witnesses in all sections of the United States, as well as from farm leaders and officials of the Department of Agriculture here in Washington. We think we have a good bill. This view is shared by Republicans and Democrats alike. It simply does not seem right to me that this Congress should neglect our farmers, and I do not believe that the problems of American agriculture should become the basis for political bartering in an election year. The whole matter of long-time farm legislation is too vital for that. I do not want to see the American farmer subjected to this sort of thing. I do not believe that the stopgap legislation is enough, as this simply delays action on this vital matter for another year and will allow the entire subject of long-time farm legislation to become an issue in the fall political campaign. There have already been indications that it will. It has been said that now is not the time to enact a long-range farm program because of inflated prices and abnormal farm conditions. I think now is the time to consider this problem, because for once in history the farmer is receiving an equal share of the national income. I want to see him continue to enjoy this prosperity and favorable position in the economy pattern. Adoption of the long-range farm program as outlined in the Alken bill will go a long way toward accomplishing this. If you will inspect the parity and price-support provisions of this measure, you will note that provision is made for adjustments in the support-price scale as conditions vary; hence, every assurance is given that prices will not be supported on too high a level. The 10-year moving average accomplishes this.

I sincerely hope that, as Republican leader of the Senate, you will give this matter the highest priority so that an arrangement may be worked out with the House of Representatives to give the farmers the best possible

long-range farm program in the short time remaining.

Sincerely yours,
HARLAN J. BUSHFIELD,
Senator.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. RUSSELL. Mr. President, I desire at this time to offer an amendment in the nature of a substitute, provided all the amendments to the committee amendment have been considered.

The PRESIDING OFFICER. Are there further amendments to the committee amendment?

Mr. AIKEN. I do not know that there are any further amendments, except those proposed by the Senator from Georgia, which are printed.

Mr. RUSSELL. I shall offer those at a later time.

Mr. AIKEN. I do not know of any others.

Mr. RUSSELL. I offer an amendment in the nature of a substitute for the committee amendment. I do not ask that it be read.

The PRESIDING OFFICER. Without objection, the amendment in the nature of a substitute for the committee amendment, offered by the Senator from Georgia, will be printed in the RECORD at this point.

The amendment to the amendment was to strike out all after the enacting clause and insert in lieu thereof the following:

That, notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed through any instrumentality or agency within or under the direction of the Department of Agriculture, by loans, purchases, or other operations—

(a) To support prices received by producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950, if producers have not disapproved marketing quotas for such commodity for the marketing year beginning in the calendar year in which the crop is harvested. The price support authorized by this subsection shall be made available as follows:

(1) To cooperators at the rate of 90 percent of the parity price for the commodity as of the beginning of the marketing year;

(2) To noncooperators at the rate of 60 percent of the rate specified in (1) above and only on so much of the commodity as would be subject to penalty if marketed.

All provisions of law applicable with respect to loans under the Agricultural Adjustment Act of 1938, as amended, shall, insofar as they are consistent with the provisions of this subsection, be applicable with respect to loans or other price-support operations authorized under this subsection, and the provisions of Public Law 163, Seventy-ninth Congress, shall continue in effect.

(b) To support until June 30, 1950, a price to producers of commodities with respect to which the Secretary of Agriculture by public announcement pursuant to the provisions of the act of July 1, 1941, as amended, requested an expansion of production of not less than 60 percent of the parity or comparable price therefor nor more than the level at which such commodity was supported in 1948, except that Irish potatoes harvested before January 1, 1949, milk and its products, hogs, chickens, and eggs shall be supported at 90 percent of the parity or comparable price. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this subsection if the production or consumption of

such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for the commodities referred to in (a) hereof. In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

(c) Sections 1 and 3 of the act approved August 5, 1947 (Public Law 360, 80th Cong.), are amended by striking out in each section the date "December 31, 1948" wherever it appears and inserting in lieu thereof the date "June 30, 1950."

(d) It is hereby declared to be the policy of the Congress that the lending and purchase operations of the Department of Agriculture (other than those referred to in subsections (a), (b), and (c) hereof) shall be carried out so as to bring the price and income of the producers of other agricultural commodities not covered by subsections (a), (b), and (c) to a fair parity relationship with the commodities included under subsections (a), (b), and (c) to the extent that funds for such operations are available after taking into account the operations with respect to the commodities covered by subsections (a), (b), and (c). In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

Sec. 2. From any funds available to the Department of Agriculture or any agency operating under its direction for price support operations or for the disposal of agricultural commodities, the Secretary of Agriculture is authorized and directed to use such sums as may be necessary to carry out the provisions of section 1 of this act.

Sec. 3. Section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935 (49 Stat. 773), reenacted by section 1 of the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246), as amended, is hereby amended to read as follows:

"Sec. 22. (a) Whenever the President has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify.

"(b) If, on the basis of such investigations and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 percent ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption

as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a), of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: *Provided*, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 percent of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: *And provided further*, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine.

"(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States.

"(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modifications to carry out the purposes of this section.

"(e) Any decision of the President as to facts under this section shall be final.

"(f) No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party."

Sec. 4. Section 8 (a) of the Soil Conservation and Domestic Allotment Act, as amended (U. S. C., 1940 ed., Supp. V, title 6, sec. 590h (a)), is amended (a) by striking out "January 1, 1949" wherever appearing therein and inserting in lieu thereof "January 1, 1950"; and (b) striking out "December 31, 1948" and inserting in lieu thereof "December 31, 1949."

Sec. 5. The first sentence of subsection (a) of section 7 of the act approved January 31, 1945 (49 Stat. 4), as amended, is amended by striking out "June 30, 1948" and inserting in lieu thereof "June 30, 1950."

Sec. 6. This act shall take effect on January 1, 1949, except that sections 3 and 5 shall take effect on the date of enactment of this act.

Also to amend the title so as to read: "An act to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes."

Mr. IVES. Mr. President, if it is agreeable to the Senator from Georgia,

I should like to offer an amendment to the substitute. I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. One page 3, line 1, of the amendment in the nature of a substitute, after the word "hogs", it is proposed to insert "ducks."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York to the amendment in the nature of a substitute.

Mr. RUSSELL. Mr. President, inasmuch as the distinguished Senator from Vermont [Mr. AIKEN] has said that the tobacco amendment has played ducks and drakes with his bill, and has already accepted the duck amendment to the committee amendment, I shall accept the amendment proposed by the distinguished Senator from New York.

Mr. IVES. I thank the able Senator from Georgia.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. IVES] to the amendment in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. WILLIAMS. Mr. President, I offer an amendment to the amendment in the nature of a substitute which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 3, line 1, of the amendment in the nature of a substitute, after the word "chickens", it is proposed to insert "(including broilers)".

Mr. WILLIAMS. Mr. President, I understand that this amendment is agreeable to the Senator from Georgia.

Mr. RUSSELL. Mr. President, there is no early question about a broiler being a chicken, so I am glad to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware to the amendment in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. RUSSELL. Mr. President, I trust that the substitute may be considered in an atmosphere of calmness, and without the spirit of recrimination which was in evidence earlier in the day.

Mr. AIKEN. I assure the Senator from Georgia that I shall be calm.

Mr. RUSSELL. Without the substitute being read in full, I will state that it embodies a bill which has passed the House, known as the Hope bill, for the temporary extension of the agricultural program, to which has been added language extending the soil-conservation privilege to the States to set up State programs for a period of 2 years, as well as an extension of the Commodity Credit Corporation for a period of 2 years.

Mr. President, I believe in the committee system of the Senate. I realize that no parliamentary body can function effectively save through the work which is done by committees. I am always most reluctant to undertake to offer any substitute for a measure which has received careful study and scrutiny on the part of a standing committee of this body. I would not do so now, Mr. President, were I not convinced that it is necessary to make sure that the Congress does not adjourn and go home without any farm program, leaving chaos in the field of agriculture on every farm in the United States, unless we adopt the substitute which has been proposed.

Mr. THYE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. THYE. As I have read the Senator's amendment, primarily it would continue the legislation enacted as a wartime measure to increase the production of certain commodities which were essential during the war period. Does not the Senator's amendment propose a continuation of wartime legislation?

Mr. RUSSELL. The Senator is absolutely correct. The reason I say that the long-range program is a short-sighted program and should not be adopted by the Congress is that it is sought to throw us back prior to the war years. Today we are faced with a demand for agricultural commodities which is equal to any that was ever made upon the farmers of the Nation during the war years. We have a European recovery program for which billions of dollars are being appropriated, and the farmers of the United States are being called upon to feed the world. Yet we see this bill brought in by the committee, undertaking to throw us back to the period of decreased production, and to remove any incentive whatever to the American farmer to produce the food and fiber which are absolutely essential if the Marshall plan is to succeed.

No stronger argument could be made for the substitute than that it recognizes, as the committee bill does not, that the demand on the American farmer will continue for at least a period of five more years.

One of the fatal weaknesses of the committee bill, as I see it, in addition to its complexities and ambiguities, is the fact that it undertakes to throw agricultural production in this country back to prewar years. Not only do the demands from Europe on the American farmer make it essential that we carry on a program of increased production, but the American people are today eating 18 percent more food than they were eating before the war. Yet the committee bill would have us go back to the prewar period.

Mr. THYE. Mr. President, will the Senator yield?

Mr. RUSSELL. If the Senator will permit me to finish the sentence I shall be glad to yield. The committee bill would have us go back to the prewar period, when we were undertaking to stifle rather than encourage production.

I now yield to the Senator from Minnesota.

Mr. THYE. The Senator says that the committee bill proposes to throw agriculture back to the prewar period. The committee bill does no such thing; and the Senator, I am sure, is quite well aware of the fact that it does not, because it does not affect the parity price, or the 90 percent of parity, until such time as there are actual surpluses in the commodity, and when surpluses occur, the price factor comes in, and the relationship of the carry-over will have its reflex effect in a decrease in the parities paid. If the Senator thinks that he and all other producers can go on indefinitely accumulating surpluses in any agricultural commodities, and still have parity figured at 90 percent indefinitely, I invite the Senator's attention to the fact that public opinion will not follow him, even if that be his idea, because the consumer would be compelled to support by taxation a parity payment even when surpluses would make it almost impossible to obtain Treasury appropriations to finance such a program. I think the Senator knows that to be so.

Mr. RUSSELL. I know of no such thing, and neither does the Senator from Minnesota. I should like to have the Senator point out where we have any great surplus of agricultural commodities at the present time.

Mr. THYE. I wish to say again to the Senator, when the surpluses occur, then the flexible support price will be figured in. But until there are surpluses the parity will remain at 90 percent. When there are great surpluses, then, of course, it will be desirable to reduce the parity price, in order to have greater production in other fields of commodities, rather than to pile surplus upon surplus in one commodity.

That is why the support-price arrangement was conceived and developed, namely, in order to have a stable economy in agriculture, and not encourage high production in certain commodities merely because mechanically they can be produced easily and readily and often very cheaply.

Mr. RUSSELL. Mr. President, the Senator admits there is no surplus at the present time. He says that the Aiken bill contains provision for a flexible loan value so that if a surplus accumulates it will fast disappear.

I say the farmers of the United States are not simple enough to produce if there is likely to be a surplus, if they know the loan value of their commodity is to be reduced. The farmers of the United States will understand how the pending bill will operate. Why have they broken all records of production in the past? Is it because they knew they were protected in their production.

But now, with these so-called flexible, escalator loan values running up and down, what farmer will take the risk of producing more bountiful crops of any kind? The farmers certainly will decrease their production. The committee bill is sure to cause decreased production in the United States at a time when our

requirements and demands are greater than they ever have been in the past.

I have heard Senators argue time and again that the American people would not stand for these parity values. Mr. President, the present parity values are not hurting the consuming public in the slightest degree. Practically every commodity which would be under the parity values provided by this bill is selling above parity today. So the consuming public is not being hurt; not only is the public not being hurt, but it is being helped—in that the commodity Credit Corporation has earned in excess of \$100,000,000 in dealing with these commodities in a way which the Senator says will cause the American people to kill any farm support.

Mr. President, if farm support is killed, it will be because those in this body who claim to represent the farmers and who declare their undying allegiance and love of the farmers in campaign years, do not have the courage to stand by the farmer and see that he is recognized as an American citizen and is entitled to a square deal, along with every other citizen of the United States.

Mr. MAYBANK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Young in the chair). Does the Senator from Georgia yield to the Senator from South Carolina?

Mr. RUSSELL. I yield.

Mr. MAYBANK. Question came up as to whether the American public would stand for taxation to maintain a farm program at parity. I wish to ask the distinguished Senator if it is not a fact that one of the few great prophecies made by the Republican Party, and for which the Republican Party took credit 2 years ago, was that enormous profits would be made by the Commodity Credit Corporation under the able management of Mr. C. C. Smith; and I ask if it is not also correct that more than \$100,000,000 was made for the taxpayers by the Commodity Credit Corporation alone, under the direction of Mr. C. C. Smith.

Mr. RUSSELL. I think there is no question of that, and I am sure the Senator from Minnesota is aware of it.

I have just stated that the Commodity Credit Corporation made a profit of more than \$100,000,000 in dealing with the present parity system which this bill proposes to reduce—and at a time when we are crying for more production from the American farmer.

Mr. THYE. Mr. President, will the Senator yield at this point?

Mr. RUSSELL. I yield.

Mr. THYE. In speaking about the profits made by the Commodity Credit Corporation, in order that we may understand that the Government is not making money through one of its corporations or agencies, and in order that the public may know definitely in what manner the Commodity Credit Corporation made a net profit of \$138,505,000, it should be pointed out that it was because the Commodity Credit Corporation happened to have a large inventory of cotton and corn at the outset of the war; and because of war demands and war needs and wartime inflation, profits ac-

cumulated as a result of the sale of what the Commodity Credit Corporation had on hand prior to the war or at the outset and during the first years of the war.

Mr. RUSSELL. Mr. President, we still have a period of inflation as great as that which occurred during the war. Indeed, it is now much greater than it was then. Certainly, for that reason to say that the farmer has caused inflation of the economy, when he is subject not only to all the vicissitudes of inflation, but also to all the ravages of insects and crop disease, does not make sense. Certainly the farmer is entitled to the protection of existing law, which is what will be provided if the amendment is agreed to.

Mr. MAYBANK. Mr. President, the Senator spoke of fluctuation. That is exactly what this bill provides, namely, fluctuation between 60 percent and 90 percent of parity, which will result in enriching the gamblers in commodities. If Senators think there was an investigation of this subject a few years ago, they should wait, if the committee bill is enacted, and see what will happen as a result of the developments in October and November next year, for not only will the gamblers estimate the crops, but they will undertake to estimate the surpluses; and then there will really be speculation and gambling, if that is what is desired.

Mr. RUSSELL. I do not propose by my vote to submit the farmers to that hazard.

Mr. President, I wish to make it perfectly clear that I am not leveling any attack at the committee bill. My statements were provoked by the questions asked by the Senator from Minnesota.

I do not think the question before the Senate at this time is between the Aiken bill and the House bill. As I view the situation, the question is between the House bill and nothing; because if we do not pass the House bill, but, instead, pass the Aiken bill and send it to conference, knowing that the House committee has held long and extended hearings on this entire question, and that the House has decided that due to the unnatural conditions which obtain in the American economy we should carry on with the war-time legislation for the time being, it is obvious that the House will not readily yield to our position. We know that after the House has considered this matter thoroughly from all angles, it will not readily yield and accept this radical innovation in agricultural legislation.

Much has been said of the great study which has been given this matter by the Senate committee. As a Member of the Senate who is proud of this body, I always support the Senate committees if I may consistently do so. But, Mr. President, the House committee also gave this subject study. The House committee also traveled the length and breadth of the land, and the House committee held hearings and examined any number of witnesses. The House committee reached the conclusion that, because of the great uncertainties which exist today and the great demands on the American farmer to increase his production, and also due to the uncertainties of the financial situation in the United States, it would be the part of wisdom to continue

the existing law for a period of 18 months; and in this case I heartily subscribe. I take that position because of the attitude of the distinguished Senator from Vermont, for whom I have the greatest affection, who stated here the other evening, in effect, that it was a case of having either the committee bill or nothing, so far as the continuation of farm legislation was concerned.

Mr. President, for my part, I will not be bound by a choice between nothing and the committee bill, or the Aiken bill, when I know that the Senate can continue the present farm program for 18 months merely by adopting the substitute proposed by me, which already has been passed by the House of Representatives.

So, with me, it is a choice between the House bill or nothing; and when that choice is presented to me, I am glad to seize upon the House bill in order that the farm program will be protected for the next 18 months, the Commodity Credit Corporation extended for a period of 2 years, and the provisions of the Soil Conservation Act preserved, rather than to take the adamant position that the other branch of Congress must yield to this new bill.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HATCH. What the Senator has just said disturbs me. I am not on the committee, and I am very anxious, as is the Senator from Georgia, that some farm legislation be enacted. But the Senator has just stated that the Senator from Vermont says it is a choice between his bill and nothing. The Senator from Georgia has told us that in his considered judgment it is a choice between continuation of the present support plan and nothing. If both the distinguished Senators are correct, we may wind up in this session by having a choice between two nothings.

Mr. RUSSELL. Mr. President, the whole matter is in the lap of the Senate at the present time. If the Senate wishes to assure beyond peradventure that the present farm program will be continued unimpaired and in full effect for 18 months, the Senate can adopt the substitute, and the program will be continued.

Mr. President, I hear a great deal about a long-range program, and I am all in favor of having a long-range and permanent farm program. I do not believe we shall ever have a permanent farm program in the sense that any one bill we may pass in one year will apply to any condition that might arise in agriculture over a period of 3 or 4 years. Any program that we call a permanent program we shall be compelled to amend from time to time. But certainly under the circumstances that confront us today it is not the part of wisdom to cut down the loan rates, to reduce the parity values of every farm commodity which is produced in the country, because when that is done, production will be discouraged at the very time that the entire world is looking to the United States of America for food and fiber to enable them to exist and to have wearing apparel. No one

can escape the conviction that the reduction in the parity price, the reduction in the loan value, will discourage production on American farms.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MORSE. A few minutes ago the Senator from New York [Mr. Ives] and the Senator from Delaware [Mr. Williams] secured acceptance by the Senator from Georgia of a certain amendment affecting broilers and ducks. However, the amendment at the desk reads in terms, not of the substitute bill of the Senator from Georgia, but the substitute bill of the Senator from Maine [Mr. Brewster], which was withdrawn. I should like to have a correction made, so the amendment will relate to the correct bill. If the Senator will permit me, we can combine the Ives-Williams amendment and the Morse amendment, the latter involving the words "and other poultry," which was accepted yesterday afternoon on the Aiken bill, and add it to the Russell substitute bill.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the clerk be permitted to insert the words as suggested by the Senator from Oregon at the proper place in the substitute. Is that satisfactory?

Mr. MORSE. That is satisfactory. I thank the Senator very much.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUSSELL. Mr. President, I want to say first we are confronted here with a condition, not a theory. We are within 3 days of the end of the session. Is it wise to gamble with a matter which is important not only to the farmer but to the Nation and to the world, to gamble with a new and revolutionary bill of this kind? I submit, with all respect that the bill is far too complicated and too far reaching to be considered under conditions existing in the Senate today. It is a type of bill that should be given the undivided attention of the Senate for a period of a week or 10 days to enable all Members of the Senate to familiarize themselves with the complete change in our farm program which it proposes. Here we have it before us, when the Senate is under unprecedented pressure, when the bill will be discussed for 20 or 30 minutes and then be laid aside for a veto message. The minds of Senators will then be directed to the veto message until its consideration is concluded; we return to the farm bill and undertake to explain another paragraph of the bill, and then there will come in another conference report, and the farm bill will be laid aside again. I say in all fairness—and it is no reflection on the Senate, because we would be miracle men if it were otherwise—that very few Members of the Senate thoroughly understand the pending bill and realize its full import. I have had some little experience in the past with agricultural legislation. I was not privileged to be a member of the committee and to attend the hearings and to see the bill written up, but I have undertaken to read the bill on two different occasions. Mr.

President, I assert without fear of successful contradiction that it is as involved and complicated a piece of legislation as has ever been submitted to the Senate. It would require not hours but days and weeks of study fully to recognize all the implications of the measure.

I am sure Senators do not realize all that is in the bill. We have heard a discussion here of tobacco and tobacco parity and the various phases of the 10-year moving average, and of the new parity program. But very little consideration has been given to the complete reorganization of the Department of Agriculture that is carried in the bill, and the great powers that are vested in whoever may be the Secretary of Agriculture under the terms of the bill.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LUCAS. Does the Senator know that the Secretary of Agriculture agrees with the reorganization program?

Mr. RUSSELL. If the Secretary of Agriculture, or any man whoever hoped to be Secretary of Agriculture, did not agree with the reorganization program, he should be shot because it vests the greatest powers in him that any Cabinet member has ever possessed. But if the Congress lightly deals out these powers and deprives itself of authority over appropriations, I think we would be plain stupid.

Mr. LUCAS. Of course, I do not read the bill the same way the Senator does. The truth of the matter is the powers of the Secretary, in comparison with those he has now, are reduced under this bill.

Mr. RUSSELL. If the Senator will find where the Secretary of Agriculture has power to allot the appropriation—

Mr. LUCAS. If the Senator will show me in the bill where we give him more power, I shall appreciate it.

Mr. RUSSELL. I shall be glad to do it, if the English language means anything. In title 1, page 49, if the Senator will look he will find where the Secretary of Agriculture is directed by the bill to "establish an agency to be known as the 'Bureau of Agricultural Conservation and Improvement,' to exercise all functions of the Secretary and of the various bureaus within the Department of Agriculture which, (1) prior to the enactment of this act, were assigned to" various branches of the Department as it exists at present, "or (2) the Secretary deems to be principally related to soil conservation and improvement or to those aspects of programs of the Department of Agriculture which require direct dealings by the Department with farmers."

That language gives the Secretary the power himself to say which bureaus within the Department shall do that.

We fought here for weeks over a bill giving the President of the United States power to reorganize the departments of the Government, and we required him to come back to the Congress before his reorganization order should become effective. When he submitted his reorganization orders, the Congress knocked

about half of them in the head. But in this bill we give the Secretary of Agriculture power to reorganize the Department of Agriculture, and he does not have to report to the Congress or anyone else. It is just as clear as it can possibly be. Of course, the Secretary of Agriculture would be in favor of it. There has never been any Cabinet member who has ever possessed one-half the power that would be vested in the Secretary of Agriculture under the terms of this bill.

Mr. LUCAS. Where would the Senator vest that power?

Mr. RUSSELL. I would keep it in the Congress of the United States. I am urging the Senate not to insist upon the passage of this bill, but to give Congress time to reorganize the Department of Agriculture. The Congress is not the creature of the Department of Agriculture; the Department of Agriculture is the creature of the Congress.

Mr. LUCAS. That was the argument made all the way through in connection with the tariff policy.

Mr. RUSSELL. If the Senator from Illinois can find any consolation in that analogy, let him have his soul in it and enjoy it, because there is no analogy whatever between this bill and the establishment of a tariff policy. I am surprised that the Senator would resort to such an argument.

Mr. LUCAS. I am surprised at the Senator from Georgia for making that kind of an argument, when he voted last week on a similar proposition.

Mr. RUSSELL. There is no similarity at all, and no one but the Senator from Illinois would think there was any similarity.

Mr. LUCAS. That is the Senator's opinion.

Mr. RUSSELL. Not only does the bill give the Secretary power to reorganize the Department of Agriculture, but it also gives him other powers.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Vermont.

Mr. AIKEN. I maintain that instead of giving the Secretary authority to reorganize the Department of Agriculture, the bill directs the Secretary to reorganize it and tells him how he shall do it. I do not think that is any additional grant of power. It is a restriction on the power of the Secretary of Agriculture.

Mr. RUSSELL. If the Senator from Vermont can find any limitation in the language on page 49, line 24, which permits the Secretary of Agriculture to transfer agencies which he deems to be principally related to soil conservation and improvement, or to those aspects of programs of the Department of Agriculture which require direct dealing by the Department with farmers, I should like to know what the limitation is. It seems to me it leaves the powers of the Secretary wide open as to those agencies.

Mr. AIKEN. If the Senator will read further, paragraphs (a), (b), and (c) state how the duties of the various agen-

cies of the Department of Agriculture are to be divided.

Mr. RUSSELL. It excepts certain powers, but I have never before known Congress to give any Cabinet member power to select each bureau in his department and say whether it is related to a particular program.

I also want to point out that in section 102 (a) there is no question that the permanent power is given the Secretary to allot the appropriations made by Congress. Heretofore, in the consideration of appropriation bills, the Secretary has been required to submit budget estimates, minute in detail, as to how each dollar was to be expended, and Congress decided whether it would appropriate this item or that item for approximately 1,850 activities of the Department of Agriculture.

Mr. AIKEN. Will the Senator from Georgia point out any place in the bill where the Secretary will be absolved of the necessity of making reports and pointing out what he wants the money for, when he comes before the Appropriations Committee?

Mr. RUSSELL. He is not absolved, but after he receives the money he can allot it as he pleases.

Mr. AIKEN. Can he not do that at this time?

Mr. RUSSELL. No; he cannot. He cannot allot money in that way. But this bill would give him authority to do it.

Mr. AIKEN. No; only as he transfers certain functions from one agency to another under the direction in the bill. What this bill does is to abolish two agencies within the Department of Agriculture and instruct the Secretary to establish one to take the place of the two. The reason for that—and it is being done at the request of the Department of Agriculture—is that things have not always been harmonious between the two agencies, although they have not quite arrived at a very acute stage as yet. It appears that those two agencies, dealing with the problem of soil improvement, should be united at the national level. It will make for more efficiency and more economy in government, in my opinion, and result in the expenditure of a larger percentage of appropriations made by Congress on the actual work for which the money was appropriated.

Mr. RUSSELL. If the bill should ever become law, I would devoutly share the hope that the Senator from Vermont is correct, but I find absolutely nothing in the bill which would justify that hope.

Mr. AIKEN. I am saying it for the record.

Mr. RUSSELL. Yes; but I was reading the Senator's bill. The Senator has said for the record that there was nothing in it to permit the Secretary to allot appropriations, and I shall therefore read section 102 (a) of the bill, on page 52—

Mr. AIKEN. Before the Senator begins reading, I do not have the amended copy of the bill before me at the moment, but I call his attention to the fact that the words "heretofore or", in line 3, have been stricken out, so that any sums hereafter appropriated—

Mr. RUSSELL. Of course, I would not worry much about the money that has been heretofore appropriated. It would read this way:

Any sums hereafter appropriated, other than as grants-in-aid—

I ask the Senators to listen to this, because it is an important matter—

and available for functions which the Secretary determines to be functions required by section 101 (a) of this act to be exercised through the Extension Service and cooperating agencies in the several States and in the Territory of Hawaii, to the extent that such funds are available at the time the Secretary makes such determination, and (B) any sums appropriated specifically for functions covered by section 101 (a), shall be paid to the several States and the Territory of Hawaii in the same manner and subject to the same conditions and limitations as the additional sums appropriated under the act entitled—

And then it quotes the title of the Cooperative Agricultural Extension Act.

Mr. AIKEN. The Secretary has to allocate these funds according to an act of Congress.

Mr. RUSSELL. That is correct. I am coming, now, to paragraph (2) on page 53 of the bill:

The remainder of the sums so appropriated—

That is, when he gets away from that which the Congress has specifically appropriated—

and available in each fiscal year shall be paid to the several States and the Territory of Hawaii, without any requirement that equal sums be provided from any other sources, in the same proportions as the sums appropriated for such fiscal year pursuant to section 23 of the act entitled—

That being the general research act.

I assert that the Secretary can move agencies and, under this bill, he has a great deal of control over the funds. The same thing is true of section 104.

Mr. AIKEN. The Secretary can utilize funds only in accordance with the regulations laid down by Congress. Either the principal sum or the remainders have to be appropriated pursuant to law. He has no additional powers there.

Mr. RUSSELL. It certainly seems to me that he has, when he has the power, under section 101, to determine which of the agencies he deems to be principally related to soil conservation and improvement or to those aspects of programs of the Department of Agriculture which require direct dealings by the Department with farmers, and so forth. If he has no authority to transfer bureaus under that language, I do not know what the language means.

Mr. LUCAS. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. LUCAS. Does the able Senator from Georgia believe there should be a consolidation of the soil-conservation program and the agricultural-conservation program into a single program and agency, as suggested under section 101?

Mr. RUSSELL. Yes; I think there should be a consolidation. I am not sure that the provision in section 101 is the best way to do it, however, because I think it is vague and indefinite.

Mr. LUCAS. If the Senator feels that should be done, whom would he delegate as the appropriate administrative agency or authority to carry out that reorganization?

Mr. RUSSELL. I would not delegate it at all. That is the point I have been making all the way through, that I am opposed to the delegation of the power to the Secretary of Agriculture.

Mr. LUCAS. In other words, the Senator would keep it right here in the Congress?

Mr. RUSSELL. I most certainly would.

Mr. LUCAS. And have the rules and standards prescribed by Congress?

Mr. RUSSELL. We have gone very far afield in the delegation of power to the executive branch of the Government in the past few years, but this is the first time, to my knowledge, that such substantial power has been proposed to be delegated to a Cabinet officer without at least requiring a report back to the Congress as to what he had done. The bill does not even require a report. When we have delegated the power to the President to reorganize the departments, we have made provision for a report to Congress and provision for veto if Congress desired, but under this bill we are asked to delegate power to the Secretary of Agriculture to reorganize the department. The bill does contain some standards, but the standards are not sufficiently far-reaching. I think the Congress should take time to work out a permanent agricultural program on which the Congress would legislate, not one the Secretary of Agriculture would legislate.

Mr. LUCAS. The Senator knows how difficult that is, and he knows we have tried it times without number. When the Congress tried to reorganize some department it never did succeed. In the final analysis, we have to delegate the power to someone along the line to do the work. Congress has not the time to do it, and Congress cannot do it. I can agree with the Senator that whoever would do the work should perhaps make a report to Congress, but here is a situation in which we are trying to coordinate agencies in the Department of Agriculture under one separate agency, yet the Senator makes an argument that that should not be done, as provided in this bill, but that the Congress should do it itself. If the position of the Senator should prevail there would never be any reorganization of the executive departments of the Government so long as he and I were in the Congress, because Congress cannot do it, and the Senator knows Congress has not the time to do it.

Mr. RUSSELL. It is a very harsh indictment of the parliamentary system to say that the Congress does not have the capacity to reorganize the Department of Agriculture.

Mr. LUCAS. I can go even further than that. If the Senator thinks it is a severe and harsh indictment, let me say that I have never seen Congress yet appoint a committee to reorganize any part of the executive branch that did any constructive work on it and

brought back a report. They have talked about it and used it as an argument when there was a desire to kill some proposal, but I have never seen any constructive, actual work done by a committee of Congress that has accomplished anything in the way of reorganizing the executive departments.

Mr. RUSSELL. Mr. President, I did not intend to stress this particular phase of the pending bill, and would not have done so had not the Senator from Illinois challenged me to show where the bill delegated any power to the Secretary of Agriculture. I answered with the flat statement that the bill delegated too much power to the Secretary of Agriculture, and I was going to pass on to the Senator from Illinois the challenge to show it did not delegate power. Now the Senator from Illinois takes the position that the power which is delegated is necessary to be delegated.

Mr. LUCAS. The bill gives the Secretary no more power than he has at the present time, except power to reshuffle a few clerks in the department under his jurisdiction at the present time.

Mr. RUSSELL. It does more than reshuffle a few clerks. I recognize the difficulty in passing a reorganization act, because I have been a Member of the Senate about as long as the Senator from Illinois has, and I have seen these bills come up time and again, and I would not dispute that the Congress cannot reorganize all the departments of the Government at one time, in one bill. For that reason I have consistently voted for bills to delegate to the President of the United States power to reorganize the executive departments. But I have never voted for a bill giving the President authority to reorganize as he saw fit, and in all the reorganization bills Congress has never granted such power to a President. It was not granted to President Roosevelt; it was not granted to President Truman. We have granted them power to propose reorganization plans, but we have always retained a veto power in the Congress. To my knowledge this is the first time it has been proposed that Congress should delegate carte blanche power to a Cabinet officer to shuffle around a hundred or two hundred bureaus as he sees fit without being required to submit a report to Congress so that it may see what he has done in the matter. I do not intend to vote for any such power as that. I did not intend to labor the point, however.

If our legislative system is so good, Congress should be the last to admit it could not do that job, and we should at least let those outside Congress say we are incapable. I submit that if Congress has the time to perfect a long-range bill, we can adopt a long-range program that will bring about what is so much desired. That is incidental to my main argument, however, and I did not intend to go into it.

Mr. FULBRIGHT. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. FULBRIGHT. I thought the Senator was about through with that aspect of the discussion.

Mr. RUSSELL. I am.

Mr. FULBRIGHT. To clarify the matter in my own mind, I should like to ask the Senator a question. Let us assume this is a good bill, but in the situation as it now exists, do I understand correctly it is the Senator's belief that, even though we pass the bill as is, he does not think there is assurance that the House will accept it, and therefore he thinks we will have no bill at all? Is that the point the Senator makes?

Mr. RUSSELL. I have stated heretofore that in my opinion the issue was between the substitute bill or no bill, because if the committee bill passes, it has been stated the House would not go into it without hearings, and frankly I would not blame them for not accepting such a complicated bill as this.

Mr. FULBRIGHT. Who stated that?

Mr. RUSSELL. It is against the rules of the Senate to quote any Member of the House of Representatives on the floor. I do not know that any Members ever made that statement, but I daresay some one who would be on the conference made some statement to the Senator from Vermont.

Mr. AIKEN. Several Members of the House have told me that they had ample time to consider this bill if it is substituted for their bill and goes to conference. It is just a question which Member of the House one is talking to. I know some Members of the House who are insistent on a stop-gap program only. I know other Members who are equally anxious to have a long-range program adopted. I cannot see that any time would be lost by the adoption of the long-range bill and putting it into conference with the House. We certainly cannot accept the House bill as it is if we want to save the Commodity Credit Corporation after July 1. We must go to conference.

Mr. RUSSELL. The substitute I have offered provides for a continuation of the Commodity Credit Corporation.

Mr. AIKEN. Does the Senator think it would not be necessary to go to conference?

Mr. RUSSELL. In my judgment the House would accept the substitute bill with the amendments, without the slightest question.

Mr. AIKEN. There is some reason to believe that the House would accept the Senate long-range bill if they had a chance to vote on it, as they certainly will have, if we put it in very good shape, as I think will be done.

I admit I became impetuous this afternoon, and if I said anything which hurt the feelings of any Senator I am truly sorry for it. The tobacco amendment, while very disappointing to me, does not spoil the bill completely. The wool amendment which was adopted will have no affect upon the bill, so far as I know.

I am very anxious to have the House have an opportunity to vote on the long-range bill in the event we do not agree in conference. We would make every effort to do that first, in any event. I feel that this bill would have a very good chance of passing the House. So let us send them the best bill possible, let us get the best possible bill we can. We have no

time to lose in adopting a long-range bill. It is true prices are generally high now, and carry-overs are small. That is just the time to get a good bill on the statute books.

Let me point out that word has come to me from the Department of Agriculture that since January 1 exports of agricultural commodities to other parts of the world have been 15 percent below the exports of agricultural commodities in the previous year. We are going to have increased stocks, we are going to have increased supplies of grain. Before we know it, if I read conditions correctly, only a major calamity, such as a drought, will prevent us having a surplus supply of grain. So we have written into the bill provisos which make it more profitable to feed those grains. I will not go into the bill because the Senator, I am sure, knows what I mean. But a good, long-range bill enacted at this session is not hopeless.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FULBRIGHT. If I may, I should like to pursue this matter further, because I do not understand thoroughly what goes on in the parliamentary situation which exists at the end of a session, as the Senator from Georgia does. Let us assume we pass the bill tonight, and that it goes to the House tomorrow. Both Houses must agree on the conference report before we adjourn Saturday night; is that correct?

Mr. RUSSELL. That is correct.

Mr. FULBRIGHT. That is what bothers me. It seems to me it ought to be possible to ascertain which of the views expressed by the two Senators is correct. I am speaking along the line the Senator from New Mexico followed a moment ago. There are two very distinguished Members of the Senate, each one giving us a more or less opposite view of what will happen if we adopt one form of bill or the other. That is something which concerns me deeply, because it would be disastrous if we should end up with no bill at all. I do not know how we can resolve the situation, although perhaps it would be possible to do so.

Mr. AIKEN. I am sure some bill will be enacted. Personally I think we would get a good long-range bill sooner if we did not pass a stop-gap measure, because if we were to do so there would be a tendency to let the matter slide again next year, and then we will again find ourselves in another election year; whereas if we do not have any bill at all we would have to do something the first of next January. I do not anticipate any such condition as that coming about. I feel that when we get together with the House conferees we can reach a fair agreement. Those who will be on the conference committee of the Senate have twice met with several Representatives who will be on the conference committee of the House. I think we all understand our problem. I think it is unfortunate that the House has concentrated its study to one feature of agriculture, which is the land-use policy, whereas the Senate has concentrated on a support-price program. The Senate committee

felt that a support-price program should come first, in order to insure our farmers against a collapse which we know can come suddenly. I do not look for a collapse in the immediate future, but we never can tell. As I said the other day, the time to patch a roof is when the sun is shining so the roof will be ready when the rains come. I hope we can take the bill to conference with the House conferees, and I feel sure that we can work out a much better bill than the House is offering us now, and, perhaps than the bill which we have here.

Mr. RUSSELL. Mr. President, I wish I could share the belief expressed by the Senator from Vermont, but the bare facts simply do not bear out his statement. If we accept the bill already passed by the House there cannot be any question about having a continuation of the program. If we pass the Aiken bill it will mean throwing the whole matter into the lap of chance as to whether we will ever get a law or not.

Mr. AIKEN. May I point out that if we accept as it is the bill passed by the House there is no question that we will have to spend from fifty to seventy-five million dollars, or more, during the next year to buy eggs which we do not need in this country. There will be no question but that the wool growers of Texas will get a support price for 2 years, and the wool growers of Montana will get a support price for only 1 year. There are a few other deficiencies in the bill which should be ironed out. If we send the Senate bill to conference, then we will have all the material of both the House and the Senate bills before the conferees for consideration.

Mr. RUSSELL. Mr. President, the Senator has made a statement about eggs. The Senator, I believe, stated now that we would lose from fifty to sixty million dollars on eggs if the House bill were to be passed. He has come down some \$40,000,000 since night before last, when he said we would lose \$100,000,000 on eggs. I was surprised to hear that statement, because I had never heard of any great loss on eggs. Therefore, I checked with the Commodity Credit Corporation to find out about the egg losses.

Mr. AIKEN. I believe the Senator has the same figures I have. They will show that since 1944 the Commodity Credit Corporation has bought, through the support-price program, about \$161,000,000 worth of eggs, and has also made purchases of four-hundred-and-some-odd million dollars' worth of eggs, I suppose largely for overseas shipments. Those are eggs which we are not likely to need. I do not think we are going to be exporting eggs by the hundred million dollars' worth from now on. I agree with the Senator that it has not all been a total loss, but we have had to buy, if my memory serves me correctly, since 1944, \$161,000,000 worth of eggs to support the price of eggs at 90 percent of parity, which is continued during the next year.

Mr. FULBRIGHT. How much loss was there?

Mr. RUSSELL. There has been a loss over the entire program, as I understand, of approximately \$18,000,000. The Cor-

poration has dealt in hundreds of millions of dollars' worth of eggs.

Mr. AIKEN. It is difficult to tell what the loss is, because so many of the eggs have been used for cooperative purposes, such as European relief.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. LUCAS. Can the Senator from Georgia tell me why milk and its products, hogs, chickens, and eggs were picked out to be supported at 90 percent of parity?

Mr. RUSSELL. No, I do not know exactly why that was done. I have before me the report of the House committee, which I can read if the Senator desires. I believe it deals at some length with that subject.

Mr. LUCAS. I want to know why these particular products were selected.

Mr. RUSSELL. I can tell the Senator why I am in favor of support of those products. I do not know why the House is in favor of support for them. I am in favor of support for them for the same reason that I am inclined to favor the most attractive features of the Aiken bill, and that is because the parity base heretofore of dairy products and of meat has been unfair to the producers of those commodities, and it has been below a fair parity price for meat and some other commodities. I would favor support of the products in question because it would give them a more equitable treatment under the terms of the bill. The reason so many are supporting the Aiken bill is because it is fairer to the meat producers and to the dairy products producers than is the existing law.

Mr. LUCAS. The present price of pork is up to 90 percent of parity. The Senator's amendment provides that "milk and its products, hogs, chickens, and eggs shall be supported at 90 percent of the parity or comparable price." How can the Senator justify support of the four products I have just mentioned? There will be no way of controlling the number of chickens produced or controlling the amount of eggs produced. Broilers have been added, and every other kind of chicken is included.

Mr. RUSSELL. Is the Senator speaking of my taking in milk and its products, hogs, chickens, and eggs, as well as broilers, when the Senate has voted to include innumerable amendments in the long-range farm program bill? The bill has been rewritten on the floor.

Mr. LUCAS. The Senator from Georgia is not answering my question. I think he should answer it because it is tremendously important to find out just why we have to guarantee the prices on these four products.

Mr. RUSSELL. Will the Senator read the items again?

Mr. LUCAS. Yes, I will. The Senator will find the language on the top of page 3 of his amendment.

Mr. RUSSELL. I mean the commodities.

Mr. LUCAS. This is the language, beginning at the bottom of page 2 of the Senator's amendment:

Except that Irish potatoes harvested before January 1, 1949, milk and its products,

hogs, chickens, and eggs shall be supported at 90 percent of parity or comparable price.

I can understand how Irish potatoes harvested before January 1, 1949, should be supported. That is the 1948 crop. It comes in late perhaps. But it is a little difficult for me to understand how the Senator can support these other four products, milk and its products, hogs, chickens, and eggs, and guarantee 90 percent of parity price.

Mr. RUSSELL. Does the Senator know what parity is for butterfat, which is a product of milk?

Mr. LUCAS. That does not have anything to do with the question.

Mr. RUSSELL. It should have, because I am pointing out the significance. As of March 15, 1948, the parity for butterfat was 65 cents a pound. Under the 10-year average of the Aiken bill the butterfat formula is 65.2 cents a pound. So the two measures go hand in hand so far as the two products are concerned. The Senator having been a member of the committee, I assumed that he would have known that.

Mr. LUCAS. The Senator assumes many things when he wants to get away from the real point.

Mr. RUSSELL. I gave the Senator the facts.

Mr. LUCAS. I do not know why the Senator should continuously castigate me and indirectly infer that I do not know anything about this bill.

Mr. RUSSELL. I am sure that the Senator was trying to help me by asking the question he just asked. I know that he is attempting to assist me in my explanation of the substitute.

Mr. LUCAS. I think it is tremendously important to find out the facts. I propose to offer an amendment to the Senator's amendment—

Mr. RUSSELL. I asked the Senator what the parity price was under this bill, and he said he did not know.

Mr. LUCAS. It does not make any difference to me what the parity price is. The Senator from Illinois is not in favor of guaranteeing the price of any commodity, regardless of what the parity price is, at 90 percent, when other commodities, basic and nonbasic, have a sliding scale up to 90 percent of parity. There is a reason for it. If the Senator wants to know the real reason, he can go back to the House of Representatives and he will find that there was plenty of log-rolling between the milk and dairy producers and the egg producers, in order to get 90 percent of parity.

Mr. RUSSELL. That may be true; but the strange fact remains that under the bill of which the Senator from Illinois is a co-author, the parity price on butterfat, which is the base of milk products, is higher than it is in this bill.

Mr. LUCAS. Of course it is higher, but it is flexible. Tomorrow, or next year it may not be higher; but the Senator would guarantee 90 percent. There is no flexibility in his formula. That is what I am talking about.

Mr. RUSSELL. Of course there is not; and that is why I am opposed to the Senator's bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. If the Senator will permit me, I should like to explain the parity figures. I think he has read them correctly; but in figuring the parity prices for milk products and butter under Senate bill 2318 the Bureau of Agricultural Economics failed to include the subsidy which was paid to the dairy farmers during the war. That resulted in bringing down the parity price of butter and milk very considerably. It is my opinion that in figuring the parity price for dairy products under Senate bill 2318, the Bureau of Agricultural Economics should include the subsidy which was paid directly to the farmer. I do not believe that it should include the subsidy which was paid directly to the processor, because there is no way of telling how much of it went back to the farmer. But that is the reason why the figures which the Senator reads for parity for dairy products under Senate bill 2318 are so low. I do not know what the actual parity would be. I believe that the figures which the Senator has, show that the parity price of milk would increase from about \$3.80 to \$4 if we adopted the proposed parity formula. But if the subsidy were included, as it should be, in computing parity under the new formula, the parity price for milk would be about \$4.36 a hundred. It would add materially. In other words, the dairy farmer was penalized because part of his price was received in the form of a subsidy, and the Department of Agriculture, in computing parity under the proposed formula, failed to include the amount which was paid him as a subsidy.

Mr. RUSSELL. I think the Senator from Vermont is correct. I have always felt that dairy products and meat were entitled to some new basis for their parity formula. They have been discriminated against heretofore.

Mr. AIKEN. That is correct.

Mr. RUSSELL. But this bill corrects the discrimination.

The Senator from Illinois says that there was logrolling in the House committee. Some of the House Members felt that the Senator from Illinois had undertaken to outbid them in this bill, because he would increase the parity price of dairy products considerably above the level which obtained under the old system.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LUCAS. Would the Senator include cattle?

Mr. RUSSELL. Yes. There is not much difference with respect to cattle.

The Senator from Vermont will bear me out when I say that there would be very little difference in the parity price of meat. It would be lower under the House bill and under the old program than it would be under the new bill.

Mr. AIKEN. That is correct.

Mr. RUSSELL. The parity price would be higher under the bill of the Senator from Vermont.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LUCAS. I do not seem to make myself clear to the Senator from Georgia. What I am objecting to is guaranteeing a 90-percent parity price for any commodity, which is what the Senator would do.

Mr. RUSSELL. Of course I would.

Mr. LUCAS. It does not make any difference how many eggs are produced in this country; the Government must support the price. If it costs the Government \$100,000,000, we must go to 90 percent of parity on eggs. If the Government loses \$100,000,000 on chickens, it does not make any difference. There is no limitation on the number of eggs or chickens that can be produced, and the Government must stand the loss, regardless of what it is. The Senator will not disagree.

Mr. RUSSELL. The Senator from Illinois makes a very fine attack on the whole agricultural system. We are not going to have any farm program that is worth a tinker's damn to the farmers in keeping up prices that will not occasionally run into losses on some commodities. If the Senator wants to bring the parity loans down to 40 percent, we shall not have any losses, but the program will not be worth a thing to the farmer because it will not support his prices.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LUCAS. The Senator talks about destroying the farm program. Let me say to the Senator from Georgia that this kind of an amendment is the very thing which will ultimately destroy the farm program in public opinion. We cannot continue to do what we are doing at the present time under the 90-percent-of-parity formula, supporting the parity formula for potatoes, chickens, and eggs, and having the Government go in the red to the tune of millions of dollars, without ultimately losing the support of the American public for any farm program in this country.

Mr. RUSSELL. Will the Senator point out where the losses have been incurred?

Mr. LUCAS. We lost on potatoes. We lost on eggs last year.

Mr. RUSSELL. On the over-all program we made more than \$200,000,000. Of course the Senator can point to a few Irish potatoes or eggs, with respect to which we lost money; but on the over-all program the Commodity Credit Corporation made more than \$200,000,000.

Mr. LUCAS. I know that that is exactly what happened; but as the Senator from Vermont pointed out a moment ago, if we continue with the 90 percent guarantee, some of these days we shall get a wheat crop or a cotton crop which will result in a surplus which will attack the Treasury of the United States to the point where we shall not have any farm program thereafter, just as surely as I am standing on this floor. That is why the Senator from Illinois has been working all this time trying to get something that is basic and fundamental on the statute books rather than a con-

tinuation of the temporary support program, attempting to give to the farmer everything that we can possibly give him. We have not lost anything up to this time; but just as surely as we get a surplus, if we ever get what we had back in 1932 or 1933, under this kind of program ultimately there will not be enough money in the Treasury to take care of the losses. If we continue to paint the picture to the American public that we are supporting a program of this kind, to the degree that regardless of what any individual produces in the way of eggs, chickens, potatoes, or what not, we will take care of him and support prices, finally, I do not care how much we make, we shall destroy the faith and confidence of the people in the farm program.

Mr. RUSSELL. There are limitations on what can be produced. This bill does not permit unlimited production. Neither does the basic law under which the program operates. Even with the acreage we have had, there has been excess production of a few commodities. But in looking at a little pile of potatoes which cost the Government a few thousand dollars we lose sight of the wonderful achievements of the American farmer and the incentive provided by the present system. We are not yet out of the woods of the war. Senators argue eloquently about the cold war, and the necessity of carrying out the Marshall plan. We must feed and clothe the people of Europe. The demands for production on the American farmer are as great today as they were during the war. Yet it is proposed to strike down the program which has successfully brought about this great production, in the name of a long-range program and in the name of saving the taxpayer, when up until now the taxpayer has not been hurt, and he will not be hurt by an 18-month extension of the present program to give us an opportunity to study a long-range program.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. I am sure that the Senator from Georgia will agree that no one is better qualified to speak on the effect of the various programs on the farmer than is the farmer himself. During the course of the hearings which the Senate committee conducted on the pending bill there appeared before the committee the Secretary of Agriculture, the president of the American Farm Bureau Federation, the master of the National Grange, the Washington representative of the Council of Farmer Cooperatives, and a representative of the Farmers' Union. They all appeared before the committee and advocated a sliding scale of supports based upon a modernized parity which, in turn, was based upon a 10-year moving average. We had the unanimous support of the farm organizations for what we propose today, namely, to modernize the parity formula so as to bring the various agricultural commodities into proper relationship to each other, and then to support the price of the various commodities on a sliding scale, and I believe most of them suggested 60 to 90 percent

for the basic and more important commodities.

Mr. RUSSELL. Mr. President, I have heard the Senator from Vermont make that statement at least once or perhaps twice in the RECORD.

Mr. AIKEN. Yes; it is in the RECORD.

Mr. RUSSELL. Perhaps I have heard the Senator say that three times. I am not prepared to challenge it, because I was not on the committee. Let me ask a question: Were the 30 or 40 amendments which the Senator has accepted to the bill explained to the witnesses who testified and spoke as the Senator from Vermont has indicated?

Mr. AIKEN. Probably 30 amendments have been adopted to the bill, but I can explain how that happened. After the bill was all ready and was reported, it was submitted to the Department of Agriculture, so that the Department might go over the bill with a fine-tooth comb and find out where "t's" were not crossed and "i's" were not dotted, and might suggest amendments which would make the bill operate more smoothly.

I wish to say that in connection with the 3-page bill which the Senator from Georgia is offering as an amendment in the nature of a substitute for the committee amendment—leaving out the section 22 amendment—after the House committee reported that bill, it reported 13 other amendments besides those which were adopted on the floor. So I think we have less amendments per page in our bill than there are in the House bill or the Senator's substitute.

Mr. RUSSELL. The Senator is getting away from his argument that the Senate should take this bill—in other words, the committee amendment—without question because it has been approved by the farm leaders, for it seems that the Senator rewrote his bill after it was said to please the farm leaders.

Mr. AIKEN. I think the Senate should accept this bill, on which the committee has worked for more than 9 months. If we were to wait for each Member of Congress to work out this bill in the same way the committee has worked it out, I am sure we never would be ready to vote on a long-range farm program.

If the Senate did not have confidence in its Committee on Agriculture, I think the Senate should not have given it an appropriation and should not have instructed it to do this work, which we now have presented to the Senate in the form of a bill. It is technical work; it is complicated work. If I had not been working with it for 9 months, I know I would not understand much that is in the bill.

I do not think it is a perfect bill. No doubt we shall have to amend it within 2 years, and probably within 1 year, after it is enacted into law, because experience will develop weaknesses in it, just as experience develops weaknesses in any other long, complicated bill. But this bill is the best we can do, and I do not know how we could improve upon it; even if we were to work for a few weeks longer.

Mr. ROBERTSON of Virginia, Mr. LUCAS, Mr. TYDINGS, and other Senators addressed the Chair.

The PRESIDING OFFICER (Mr. MARTIN in the chair). Does the Senator from Georgia yield; and if so, to whom?

Mr. RUSSELL. Mr. President, I do not mind yielding for questions, but I do not like Senators to intersperse long speeches in my remarks.

Mr. ROBERTSON of Virginia. Mr. President, if the Senator will yield to me on the point just made by the Senator from Vermont—

Mr. RUSSELL. Very well; I yield.

Mr. ROBERTSON of Virginia. On the point just made by the Senator from Vermont, Mr. President, let me say that it is true that the witnesses to whom he referred endorsed the principle of a long-range farm program; but the Secretary of Agriculture, Mr. Anderson, offered numerous and serious objections to the bill as drawn. Mr. Kline, of the Farm Bureau Federation, presented 10 pages of testimony suggesting changes. Mr. Goss, of the National Grange, offered numerous suggestions. Mr. Charles Holman, of the Milk Producers Association, offered numerous suggestions. Someone representing the peanut industry offered numerous suggestions. All through the nearly 500 pages of testimony—and it was not easy to analyze, because there was no index and no table of contents, when the hearings were published, and we simply had to dig into the testimony as best we could—there were so many suggestions and so many criticisms that finally the committee simply struck out every line of the 46 pages of the original bill, and framed another bill. But, after framing another bill and after debate had started on it, the committee brought in 10 pages of amendments—10 pages of amendments to a 50-page bill, which means about a 20-percent change. Even then, I may not have counted all the amendments. There have been numerous amendments, such as those relating to chickens, potatoes—

Mr. AIKEN. And ducks and other fowl.

Mr. ROBERTSON of Virginia. So we have reached the point where the committee has abandoned the first bill, and has brought out another bill, and then has proposed changes amounting to at least 20 percent in the second bill, and then has added numerous other changes.

Frankly, although I am trying to find out what has been done, I do not know what is in the bill now.

Mr. AIKEN. Could the Senator suggest a better way?

Mr. ROBERTSON of Virginia. Mr. President, I think a much better way would be to adopt, as a temporary measure, the substitute offered by the Senator from Georgia, and continue the support program. Certainly in a few months or in a year if the Senator thinks the support price is too high, he can bring in a long-range bill, which we shall have time to study and understand.

Mr. AIKEN. Will the Senator point out one section of the bill to which the Department of Agriculture objects?

Mr. ROBERTSON of Virginia. There are numerous pages of testimony of the Secretary of Agriculture, of course.

Mr. TYDINGS. Mr. President, will the Senator yield to me?

Mr. RUSSELL. I yield.

Mr. TYDINGS. I should like to ask the Senator from Georgia a question.

Mr. WHERRY. Mr. President, before the Senator asks the question, will he yield in order that I may propound a unanimous-consent request in regard to a time for voting?

Mr. TYDINGS. The matter I have in mind will not delay the presentation of such a request.

Mr. WHERRY. I did not mean to delay the Senator, of course.

Mr. TYDINGS. I shall take only 2 minutes or so. I have waited some time to get the floor.

Mr. WHERRY. Very well; excuse me.

Mr. TYDINGS. Mr. President, I should like to ask the Senator from Georgia whether it is a fact that the acceptance of his substitute is the pending question, also whether it would be in order to offer a small amendment, in the nature of a perfecting amendment, to the substitute.

Mr. RUSSELL. An amendment either large or small would be in order.

Mr. TYDINGS. With the permission of the Senator from Georgia, I should like to offer a 5-line amendment to his amendment. The amendment I offer deals only with Maryland tobacco. I believe it provides for less than is provided by the Senate bill; but as the Representative in Congress from the tobacco section of my State says, this is an amendment which would have been put in the House bill if the circumstances had permitted its consideration there.

I should like to offer it at this time as a perfecting amendment to the substitute, so that, regardless of whether either the substitute or the committee amendment is adopted by the Senate, the tobacco situation will be taken care of.

Mr. RUSSELL. Mr. President, I hope the fact that the Senator's perfecting amendment to my amendment provides for less than the treatment accorded by the Senate bill will not influence the vote of the Senator from Maryland on this measure.

Mr. TYDINGS. My perfecting amendment to the Senator's amendment provides less, but only slightly less.

Mr. President, to the substitute amendment of the Senator from Georgia, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in Mr. RUSSELL's amendment in the nature of a substitute for the committee amendment, it is proposed to insert the following:

Except that for the purpose of computing the parity price for Maryland tobacco the base period shall be the period August 1936 to July 1941 in lieu of the period August 1919 to July 1929.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland to the amendment of the Senator from Georgia.

Mr. RUSSELL. Mr. President, I understand that the amendment offered by the Senator from Maryland to my amendment establishes a parity figure below that contained in the committee amendment, the so-called Aiken bill, if I am not mistaken.

Mr. TYDINGS. I took the amendment to the Senator from Vermont, and he himself told me that I would be better off under his bill than under the amendment in the nature of a substitute, as it would be perfected by the amendment I have now offered to it.

Mr. AIKEN. Mr. President, I think there is no question about that, although I am not sure what the parity price under the amendment would be.

Mr. ROBERTSON of Virginia. Mr. President, before the Senator from Georgia accepts the amendment to his substitute, I should like to know what the parity base will be under the substitute as thus perfected. If we accept one parity base for Maryland tobacco and another parity base for Virginia tobacco, and a different base period—

Mr. RUSSELL. Mr. President, heretofore Maryland tobacco has had no base period for its parity except 1909-14.

Mr. TYDINGS. That is correct; and my amendment would simply put the treatment accorded to Maryland tobacco in line with the treatment accorded to Kentucky tobacco, North Carolina tobacco, and Virginia tobacco.

Mr. ROBERTSON of Virginia. Of course, I am glad to have Maryland tobacco receive treatment that is in line with the other.

Mr. TYDINGS. I have not made a profound study of the matter, but I am advised by those who know that this amendment to the Senator's substitute amendment will put Maryland tobacco in a position comparable to that of burley tobacco and flue-cured tobacco.

Mr. HATCH. Mr. President, I continue to be disturbed about the parliamentary situation in which we find ourselves in view of the lateness of the hour, and the question of whether we are going to have any farm legislation at this session. I have a suggestion to make to the two contending forces, if such they be. While I know that ordinarily parliamentary rules would not permit it, yet it could be done by unanimous consent. My suggestion would be—

Mr. WHERRY. Mr. President, if the Senator from New Mexico will permit me to interrupt him, I attempted a couple of minutes ago to propound a unanimous-consent request. At that time the distinguished Senator from Maryland said he would like to continue. I told him I would wait, and I think I stated that when he concluded we should have a quorum call.

Mr. HATCH. Mr. President, if I may finish my suggestion first, it will take but a moment. I was going to suggest, if Senators could not agree, that under a unanimous-consent agreement we let the substitute offered by the Senator from Georgia pass as a separate bill and vote on the Aiken bill, sending them both to the House.

Mr. AIKEN. No, absolutely no. That would be the end of the long-range program.

Mr. RUSSELL. Mr. President, I am afraid that is a confession.

Mr. WHERRY. Now, let me try.

The PRESIDING OFFICER. The Senator from Georgia has the floor.

Mr. WHERRY. Would there be a possibility of arranging an hour, at which time we could vote on the substitute and on any amendments that might be offered to it, and then proceed to vote on the final passage of the bill as amended?

Mr. MAYBANK. Mr. President, I object.

Mr. WHERRY. I have not even made the request. I am making an inquiry.

Mr. MAYBANK. I merely suggest that I certainly intend to speak on the robbery of the cotton farmer.

Mr. WHERRY. I do not want to cut off any Senator at all; that is not the thought, but I should like to suggest an hour for a vote. I would suggest any time—8 o'clock, 9 o'clock, or 10 o'clock. If Senators would merely indicate when they think they may conclude, I would make a proposition to Members of the Senate first on the substitute or any amendments offered thereto, which could be gotten out of the way. If the substitute carries there would be no more votes; if it does not carry, we can begin voting and finally vote on the bill. I would be glad to make it any hour. I will suggest any hour that is agreeable to the distinguished Senator from Georgia or the Senator from South Carolina, and the Senator from Vermont.

Mr. MAYBANK. I may say to the distinguished Senator from Nebraska I will agree to any hour that my distinguished friend from Georgia agrees to.

Mr. WHERRY. Fine. Now we are making headway.

Mr. RUSSELL. Mr. President, I doubt that. [Laughter.]

Mr. WHERRY. Very well.

The PRESIDING OFFICER. The Senator from Georgia has the floor.

Mr. RUSSELL. I do not know how many Senators might desire to speak on the substitute. I know the Senator from Virginia [Mr. ROBERTSON] wishes to speak, and the senior Senator from South Carolina wishes to speak. I want to expedite the sessions of the Senate in every way I possibly can. I have undertaken to do it on every occasion.

Mr. WHERRY. That is correct. It is very fine.

Mr. RUSSELL. But I think this is without any question the most important bill we shall have before the Senate during the remainder of the session. I would not know now what time to fix for a vote, in view of the limited knowledge I have of the number of Senators who may wish to address themselves to the subject.

Mr. WHERRY. I have respect for the Senator from Georgia, and I may say there is not a Member of the Senate who has cooperated more wholeheartedly with the junior Senator from Nebraska in working out unanimous consent requests than has the Senator from Georgia, or the Senator from South

Carolina. I would respectfully ask Senators to take an inventory on the possibilities. This is the first time I have made a suggestion. We do not always get an agreement on the first request. I ask Senators to analyze the situation, and if they feel that later on, within as short a time as possible, they can agree upon a time, I shall be glad to submit the request. I thank the Senator for his consideration.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator from Georgia yield in that connection?

Mr. RUSSELL. I yield.

Mr. ROBERTSON of Virginia. There are certain phases affecting the prospects for agreeing on the general program which I should like to discuss in connection with what I think would be the wisdom of accepting now the substitute offered by the Senator from Georgia. I am convinced from what House Members tell me—and I am pretty close to them, having served with them for 14 years—that the proposal of the Senator from Georgia is all they are going to take. May I ask the distinguished acting majority leader when he wants to cut down on the time some of us may desire to take?

Mr. WHERRY. I do not want to cut down the time of any Senator.

Mr. ROBERTSON of Virginia. What does the Senator plan to bring up next tonight?

Mr. WHERRY. Mr. President, that is a rather difficult question to answer. [Laughter.]

Mr. BALDWIN and several other Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Georgia yield; and if so, to whom?

Mr. RUSSELL. I yield first to the Senator from Nebraska.

Mr. WHERRY. I merely remind the Senate that we are getting to the closing moments of the session. There are several pieces of legislation which are very important. For one thing, the conference report on the Interior Appropriation bill will probably be ready by 8:30 or 9 o'clock.

Mr. FULBRIGHT. How about oleomargarine? That would be a good bill.

Mr. WHERRY. Did the Senator from Arkansas say something? [Laughter.]

Mr. RUSSELL. Mr. President, I think I had best decline to yield further at this time and proceed with my remarks. I decline to yield further. I have been on the floor for more than an hour, and have not been able to occupy to exceed 30 minutes of my own time, so I want to wind up my remarks.

Mr. President, I have undertaken to deal with two phases of the question; first, the fact that it is necessary to adopt the pending substitute if we are to have any assurance whatever that we shall not be deprived of a farm program after the last of December this year. In the second place, I have undertaken to show that the reorganization feature of the pending bill bestows too great legislative powers upon the Secretary of Agriculture.

My third objection to the bill is the fact that it is complicated and so con-

fused as a result of the amendments which have been adopted, and because of the complete change it proposes in the parity program, that it is a lawyer's or a professor's dream. It is so complicated that only a lawyer of great experience in agricultural legislation or a professor who had dealt with matters of agricultural economy could hope possibly to understand it. We are told we should modernize parity. I believe the bill constitutes a revision of the present parity program. As I stated a few moments ago, I know that the present formula is unfair to meat, dairy products, cottonseed, and other commodities, for that matter. But I submit that the 10-year moving average is not a modern basis for computing a parity program.

During 7 of the 10 years, the Nation has been at war. We had ceilings on many agricultural commodities, which held down the prices of those commodities. In the case of other agricultural products we subsidized them and their production, running their values up to 250 or 300 percent of parity. Yet the pending bill proposes to lump them all together and strike an average under the guise of modernizing the parity formula in accordance with present-day conditions.

Any modernization of the parity formula, Mr. President, should be based upon a free market, not upon the restraints and controls of a war period or the encouragement lent to certain commodities during a war period. The so-called modernization is unfair to a great many commodities which were held down by controls during the war. It gives an undue advantage to others which were puffed up through subsidization to where they brought from 250 to 300 percent of parity.

Mr. President, the old parity farm program is at least understood at the present time. It permits every commodity to stand on its own legs. It does not depend upon the fluctuations of any other commodity. The proposed 10-year moving average, in my opinion—and I regret that my opinion is in conflict with that of so many experts on agriculture—is violative of plain common sense. We have the great basic commodities, wheat, cotton, corn, tobacco, but other commodities are brought in through the proposed 10-year moving average. Here is the parity line. One commodity will be 5 percent above parity, and another will drop 10 percent below. If we raise the one below parity we increase the one above parity just as much as we raise the one below parity. Because of the way the formula is weighted, a commodity such as flaxseed oil, of which a very small amount is produced in this country, in spite of the fact that we have expended millions of dollars to encourage its production, would have just as much weight under the parity formula and would affect the price of all other agricultural commodities as much as would wheat, cotton, corn, and dairy products.

I submit that it is absolutely absurd to consider that a commodity such as grapefruit, important though it is, could when it fluctuates, change the price of

wheat, as would be the case under the 10-year moving average.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield to the Senator from Nebraska.

Mr. WHERRY. Mr. President, the parliamentary situation is that the committee bill is still open for amendment, is it not?

Mr. RUSSELL. The Chair can answer that question.

The PRESIDING OFFICER. The bill is still open to amendment.

Mr. WHERRY. I should like to send to the desk three amendments which I ask to have printed and lie on the table.

The PRESIDING OFFICER. Without objection, the amendments will be received, printed, and lie on the table.

Mr. RUSSELL. Mr. President, the period on which the formula rests is not a normal period. In establishing the old parity period, an earnest study was made to find the time when all the segments of American business, industry, and finance were on a comparable basis. We finally found it in the period from 1909 to 1914, inclusive. That is the period on which parity was based. Of course the parity period changes with the passing years. Seven of the 10 years on which the parity period is based by the pending bill were war years, when the prices of some commodities were depressed by controls and the prices of other commodities were encouraged to advance through the payment of subsidies.

Mr. President, it is not, I submit, a fair exchange. A 10-year moving average, in my opinion, is not the proper way to go about a revision of the parity program. The basic idea of the committee bill may be sound. I am frank to say that I do not thoroughly understand its approach to the problem, and I am convinced from the debate which has taken place on the floor that I am far from being the only Member of the Senate who does not understand it. There have been times when even those who should have the most intimate knowledge of it were not completely informed.

I say, again, Mr. President, that those who desire to do so can take the responsibility for pulling down the prices of wheat, corn, cotton, tobacco, or rice, as this bill would pull them down. The bill makes a substantial reduction in the parity prices of those commodities, and of a great many more. Not only does it bring down the parity price—

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CONNALLY. If no legislation on the subject is passed at all, would the present law as to parities remain in force?

Mr. RUSSELL. The present law fixing parity would remain in force, but we would not have the loan values that my amendment seeks to continue. The parity program would be the same, but commodity loans that provide a floor for farm prices would not be in existence.

Mr. CONNALLY. In other words, we would have a law but would have no money to carry it out?

Mr. RUSSELL. That is correct. The farmer could not get price support for his commodities.

So, Mr. President, not only does the bill reduce the parity price, but it reduces the loan value of the great basic commodities from 90 to 75 percent. There are those who say that the farmer is anxious to have his loan rate reduced. Those who wish to do so can delude themselves with that idea. I do not propose, by my vote, to bring about a reduction of 25 percent in the amount available for loans for farmers on these great basic commodities, as this bill proposes to do. The bill, if enacted, will undoubtedly bring about a great reduction in farm income. It will deprive the farmer of the benefit of a loan at a time when he needs it the most.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. McFARLAND. Did I correctly understand the Senator to say that some farmers want the loan rate reduced?

Mr. RUSSELL. The Senator from Vermont [Mr. AIKEN] has said that a great many farmers and farm organizations are supporting his bill.

Mr. McFARLAND. Is there anything to prevent farmers from borrowing less money than the maximum?

Mr. RUSSELL. There is nothing to prevent that at all.

Mr. McFARLAND. Did the Senator from Georgia ever hear of a farmer borrowing less than the maximum?

Mr. RUSSELL. No, and I do not think I ever shall.

Mr. President, I am opposed to discouraging production, as this bill will do. It will fail the farmer in his hour of need, when there are surpluses and prices have been beaten down. It will decrease the value of the farmer's commodities.

I shall not commit myself to any program of this kind, in this shotgun fashion, in the closing hours of the Congress, when our minds are absorbed in innumerable details regarding other legislation. That is no reflection on the Committee on Agriculture and Forestry. I have a great regard for the membership of that committee. I am proud of the fact that at one time I served as a member of that committee, and would be a member of it today, but for the fact that reorganization made it impossible for me to continue as a member of it. But, Mr. President, a committee of the Senate has to be an advisory body to the Senate. Merely because we appropriated a few thousand dollars to enable the Committee on Agriculture and Forestry to make a study, I, as one Senator, am not bound to accept the recommendation which the committee imposes.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. McFARLAND. I regret that I have not been able to be present all the time the Senator from Georgia has been discussing the subject. I know he is well informed in regard to this question. He spent years in studying farm problems. Am I correct in my information that the aid to citrus fruit growers would be substantially the same under the con-

tinuation of the present program as under the terms of the new bill?

Mr. RUSSELL. I do not think there is any question about that. The benefits of the citrus producers would be substantially the same.

Mr. McFARLAND. How about potatoes?

Mr. RUSSELL. The same with potatoes. Under the substitute the benefits would be greater as to wheat, corn, and cotton.

Mr. McFARLAND. In Arizona we are interested in a great many of these products, but we are very substantially interested in the cotton program.

Mr. RUSSELL. Cotton, of course, would fare much better, and so would wheat and corn. The basic commodities would fare much better under the substitute amendment.

Mr. McFARLAND. In Arizona we are interested also in potatoes.

Mr. RUSSELL. In the case of potatoes there is no substantial difference.

Mr. McFARLAND. We grow grain in Arizona. As I understand the Senator, we would fare much better under the old program with reference to grain.

Mr. RUSSELL. The wheat parity is reduced by the committee bill, and the loan would be reduced in times of surplus.

Mr. McFARLAND. I thank the Senator.

Mr. RUSSELL. Mr. President, to sum up, we have not the time to give this bill the study to which it is entitled. I favor a long-range agricultural program, but it should not be adopted in such a way as to discourage production at a time when the American farmer is still being called upon to produce not only for our consumption at home, but to feed and clothe the world.

This bill would eventually reduce the farm income of the country. It would deny the farmer the benefits of legislation which has been enacted for him over a long period of years. To adopt the substitute which I propose would enable us to wind up the discussion of farm legislation for the time being without gambling on the fate of the complicated committee bill in a conference between the two Houses. We could come back at the next session of Congress and start early in the session, without the pressures of the present time, and work out a fair and equitable long-range farm program which would do violence to no farmer or group of farmers, or the consuming public of the United States.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On June 10, 1948:

S. 825. An act for the relief of Ern Wright;
S. 1055. An act for the relief of Mrs. Irma M. Pierce and Charles Z. Pierce;

S. 1206. An act for the relief of Jack O'Donnell Graves;

S. 1486. An act to provide for payment of salaries covering periods of separation from

the Government service in the case of persons improperly removed from such service;

S. 1588. An act for the relief of E. W. Strong;

S. 1729. An act for the relief of Gudrun Emma Ericsson;

S. 1886. An act for the relief of William M. Looney; and

S. 2277. An act to amend section 13 of the Surplus Property Act of 1944, as amended, to provide for the disposition of surplus real property to States, political subdivisions, and municipalities for use as public parks, recreational areas, and historic-monument sites, and for other purposes.

On June 11, 1948:

S. J. Res. 231. Joint resolution to amend section 303 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes."

On June 12, 1948:

S. 1641. An act to establish the Women's Army Corps in the Regular Army, to authorize the enlistment and appointment of women in the Regular Air Force, Regular Navy, and Marine Corps, and in the Reserve components of the Army, Navy, Air Force, and Marine Corps, and for other purposes;

S. 1676. An act to authorize the Secretary of the Army and the Secretary of the Air Force to proceed with construction at military installations, and for other purposes; and

S. 1941. An act to authorize and direct the Secretary of the Interior to issue to John F. Compton, formerly John Crazy Bull, a patent in fee to certain land.

On June 14, 1948:

S. J. Res. 98. Joint resolution providing for membership and participation by the United States in the World Health Organization and authorizing an appropriation therefor; and S. J. Res. 227. Joint resolution providing for appropriate observance of the two-hundredth anniversary of the founding of Washington and Lee University.

On June 15, 1948:

S. 1987. An act to authorize the Secretary of the Interior to construct the Preston Bench project, Idaho, in accordance with the Federal reclamation laws; and

S. 2137. An act to provide for the protection of potato and tomato production from the golden nematode, and for other purposes.

ACCEPTANCE OF CONSTITUTION OF INTERNATIONAL LABOR ORGANIZATION INSTRUMENT OF AMENDMENT—CONFERENCE REPORT

Mr. VANDENBERG. Mr. President, I submit a conference report on Senate Joint Resolution 117, providing for acceptance by the United States of America of the constitution of the International Labor Organization Instrument of Amendment, and further authorizing an appropriation for payment of the United States share of the expenses of membership and for expenses of participation by the United States, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The conference report will be read.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 117) providing for acceptance by the United States of America of the Constitution of the International Labor Organization Instrument of Amendment, and further authorizing an appropriation for payment of the United States share of the expenses of membership and for expenses of participation by the United States, having

met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"SEC. 2. There is hereby authorized to be appropriated annually to the Department of State—

"(a) such sums, not to exceed \$1,091,739 per annum, as may be necessary for the payment by the United States of its share of the expenses of the Organization, as apportioned by the International Labour Conference in accordance with Article 13 (c) of the Constitution of the Organization; and

"(b) such additional sums, not to exceed \$95,000 per annum, as may be necessary to pay the expenses incident to participation by the United States in the activities of the Organization, including—

"(1) salaries of the representative or representatives and alternates and appropriate staff, including personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and the Classification Act of 1923, as amended; services as authorized by section 15 of Public Law 600, Seventy-ninth Congress; under such rules and regulations as the Secretary of State may prescribe, allowances for living quarters, including heat, fuel, and light and cost of living allowances to persons temporarily stationed abroad; printing and binding without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111), and section 3709 of the Revised Statutes, as amended; and

"(2) such other expenses as the Secretary of State deems necessary to participation by the United States in the activities of the Organization: *Provided*, That the provisions of section 6 of the Act of July 30, 1946, Public Law 565, Seventy-ninth Congress, and regulations thereunder, applicable to expenses incurred pursuant to that Act shall be applicable to any expenses incurred pursuant to this paragraph (b) (2).

"SEC. 3. No person shall serve as representative, delegate, or alternate from the United States until such person has been investigated as to loyalty and security by the Federal Bureau of Investigation."

And the House agree to the same.

ARTHUR H. VANDENBERG,
H. ALEXANDER SMITH,
TOM CONNALLY,

Managers on the Part of the Senate.

DONALD L. JACKSON,
FRANKLIN J. MALONEY,
WIRT COURTNEY,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the conference report?

There being no objection, the report was considered and agreed to.

REPORT ON VOICE OF AMERICA

Mr. SMITH. Mr. President, from June 1 through June 4 a series of hearings on the Voice of America programs were held jointly by a subcommittee of the Foreign Relations Committee, under my chairmanship, and the investigations subcommittee of the Committee on Expenditures in the Executive Departments, under the chairmanship of the distinguished junior Senator from Michigan. These hearings were held pursuant to a resolution offered by the distinguished senior Senator from Indiana authorizing an investigation of the radio-broadcast operations of the State Department under Public Law 402. As you know, prior

to the introduction of the resolution, the Senator from Indiana called to the attention of the Senate certain objectionable material contained in a program called Know North America which was sponsored by the Voice of America.

The immediate purpose of these first hearings was to determine the responsibility for the criticized broadcasts, to the end that the vitally important service that should be rendered by the Voice of American program be strengthened and protected against future mistakes or misuse.

The investigation to date and hearings so far conducted establish the fact that a great deal of the material in the Know North America series was erroneous and in very bad taste. The excerpts quoted by the Senator from Indiana were representative of many other equally untrue and ill-chosen passages.

The single, predominate conclusion resulting from the investigation so far made is that foreign broadcasts sponsored and financed by the United States Government must be made on a quality basis. Our Government cannot continue to be responsible for disseminating trash. Neither the Congress nor the public will tolerate preventable mistakes which have the grave effect of holding the United States up to calumny and ridicule. The series of programs called Know North America were a serious blunder which tended to destroy any value which the other South American broadcasts may have had. Instead of promoting a better understanding of the United States in other countries and increasing mutual understanding, this series of broadcasts presented a false picture of the United States to the detriment of the United States.

The final and unmistakable responsibility for this blunder rests with the Department of State. It not only failed adequately to supervise the contents of these programs in a reasonable manner, but it also failed to make even a cursory check to determine if the policies of the Government were being carried out. No check was made prior to, during or after the broadcasts to prevent this or similar blunders.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. SMITH. I shall be glad to yield.

Mr. O'MAHONEY. My recollection is that the Appropriations Committee last year, in acting upon appropriations for the Department of State, deducted from that Department's estimates the sums which were recommended by the Bureau of the Budget for the purpose of supervision. Moreover, the law, as passed, distinctly instructed the State Department to abandon these broadcasts under the supervision of the State Department, and required that they should be carried on by private companies. When the Congress tells the Department of State it may not conduct its own programs, that the work must be delegated to private companies, and then takes away the money with which to employ the personnel to supervise the programs, it is very difficult for me to understand why the Department of State should be held responsible. It is true that these

programs were not supervised, but the operation of the State Department was hamstrung by the action of Congress.

Mr. SMITH. I will say to the distinguished Senator that we shall continue our hearings and bring out all the facts. Although the funds of the State Department were reduced, I do not think the State Department or the National Broadcasting Co. have adequately carried out their responsibility.

An important collateral responsibility for the failure of these programs rests with the National Broadcasting Co. Its employees failed to appreciate their grave obligation to produce a program that would bring credit to the United States. The fact that the National Broadcasting Co. may have thought that the State Department was monitoring these programs does not excuse their failure adequately to check on the contents thereof over a long period of time. The attempt on the part of both the State Department and the National Broadcasting Co. to advance, if not as a cause at least as an excuse, the thought that there was a divided responsibility under the provisions of the legislation does not stand analysis. What actually existed was a dual responsibility which, if it had been exercised properly by both, should have doubled the supervision and have greatly lessened the possibility of such previous errors. The position taken that the criticized passages were only a small portion of the entire program and that the scripts in their entirety were of good quality is not, even if true, a material factor since one false or incorrect statement may ruin the entire effect of the program and undo all the good which may have been done by other broadcasts.

The firm purpose of the Voice of America program is to present the truth about the United States in terms understandable to the particular country to which the information is directed. This is a vitally important service that must be continued at this critical time. Congress has made it clear on many occasions that an honest, accurate and fair appraisal of our democracy and of our people presented in an enlightened and intelligent manner is the most effective way to compete with the perversions of Soviet propaganda. We want to stress again as we have done in the past that the responsibility—the complete responsibility for carrying out the will of Congress is an intelligent and enlightened manner rests with the State Department. No confusion in this regard should exist and this is especially true insofar as it relates to present and future broadcasts.

It should be clearly understood that the remarks I have just made are not intended as a condemnation of the whole Voice of America program. The idea and the general policies laid down by the Congress are sound. It is my hope that the blunders which have already occurred should not be magnified out of proper proportion because of the inexcusable administrative blunders in this instance.

On the other hand it would be equally unwise to minimize the errors of the past by blandly concluding that mistakes are bound to happen. Therefore our im-

mediate recommendation is this: Those who accept the responsibility for speaking for America must be made to feel this responsibility. Those who accept the responsibility for speaking for America must be made to know that the stakes are high and that their blunders hold our country up to ridicule and disgrace. Our committees have stressed this recommendation to the State Department and we have their assurance that this will be done. We have the assurance of the State Department that enlightened and vigorous care will be given to qualify production in the field of radio broadcasts.

I desire to make it clear that the committees place no part of the blame for this unfortunate occurrence on Secretary Allen. The incidents subject to criticism occurred prior to his assuming his duties on March 30 as head of the Information Service. We are confident that under his able leadership these errors will be corrected.

It is the considered judgment of the two committees that the continuation of our investigation is essential. For this reason we will not file a report at this time but will continue an investigation and study of the Voice of America. At a future time we plan to file a joint report which will summarize the work done by the committees and we hope will report a great many vitally needed improvements.

Mr. FERGUSON. Mr. President, speaking as chairman of the Senate Investigations Subcommittee of the Committee on Expenditures in the Executive Departments, I wish to state that our subcommittee is in agreement with the views and recommendations made by the Senator from New Jersey concerning the Voice of America broadcasts. The problems of adequately and intelligently portraying the story of the American way of life to foreign radio audiences is of utmost importance. Radio broadcasts to other peoples of the world sponsored by our Government must not contain half-truths, untruths, or worthless or silly information. The American public and the Congress has a right to expect that these broadcasts will be presented in an intelligent and enlightened manner. It is inexcusable for the State Department and the private broadcasting companies, with a large grant of public funds available to produce inferior programs.

I am firmly convinced that these overseas broadcasts must be programs of the highest quality. There appears to be too much stress placed on quantity; very little on quality. If such quality cannot be obtained in our broadcasts, they will likely do more harm than good. However, I am convinced of the necessity for such a program, if it is administered properly.

In order that we may be certain that in the future these broadcasts will be handled in an intelligent manner, I believe that the matter should receive the continued surveillance by the Congress. The need for continuing our investigation is demonstrated by examples of other broadcasts which went out over the air in Voice of America programs. Representatives of the National Broadcasting Co. and the State Department attempted

to point out that this particular series of Know North America broadcasts was a single instance of bad judgment. That does not appear to be the case. Our staff, after examining transcripts of other State Department broadcasts, found that in another series of programs there was one on the city of Rochester, N. Y. This program portrayed the visit of a tourist to the city of Rochester. The narrator discussed the various aspects of Rochester, N. Y., and suddenly, about half way through the program, he discovered that they were passing the Mayo Clinic.

I am sure that the present occupant of the chair [Mr. THYE] would know that the famous Mayo Clinic was in Rochester, Minn., and not in Rochester, N. Y., but the narrator portrayed it as being in Rochester, N. Y.

Thereafter, they carried out an elaborate reenactment of a scene of entering the Mayo Clinic and inspecting the buildings and watching the work of the clinic. This scene at the Mayo Clinic is supposed to have taken place in Rochester, N. Y. I cannot comprehend that responsible people, in a program which attempts to accurately portray the United States, could have made such a factual blunder.

Mr. O'MAHONEY. Mr. President, may I ask the Senator a question?

Mr. FERGUSON. Certainly.

Mr. O'MAHONEY. Was this script written by the staff of the broadcasting company?

Mr. FERGUSON. By the staff of the broadcasting company.

Mr. O'MAHONEY. And it was not supervised by the State Department?

Mr. FERGUSON. That is correct. In another program designed for European consumption we found that there was a regular gossip column type of broadcast concerning Hollywood. Recently this program broadcast a detailed description of a Hollywood wedding ceremony and the expensive wedding party of an oft-married movie star and the equally oft-married spouse. It is difficult to understand how a detailed description of such a lavish and expensive affair could promote better understanding of or good will for the United States.

Mr. President, these two additional cases merely illustrate the need for a continuing investigation. It is, therefore, the conclusion of both committees that we should continue to investigate and study other programs which are being beamed overseas. We will attempt to find out whether these programs are actually reaching the peoples to whom they are directed, and whether they have the intended effect on the listeners. Furthermore, we shall continue to examine the quality of these broadcasts and, if need be, shall report further to the Senate.

LONG-RANGE AGRICULTURAL PROGRAM

The Senate resumed the consideration of the bill (S. 2318) to provide for a coordinated agricultural program.

Mr. ROBERTSON of Virginia. Mr. President, before undertaking to discuss either the Aiken long-range bill or the Russell substitute for temporary support prices, I wish to make a few general ob-

servations on the problems confronting farmers and those dependent upon agriculture for a living, who constitute about one-fifth of our entire population.

I wish to give to the Senate the estimate of the Bureau of Agricultural Economics about probable prices for this year and probable prices for next year, because I hope that what I have to say on that subject will have some bearing upon whether or not we should proceed at this late hour in the session, and with so little opportunity to know what is in this long-range program, and how it will affect our farmers.

Mr. President, what we do in the way of a long-range program, if it should be adopted by the Congress, will have a very vital effect, as the Senator from Georgia [Mr. RUSSELL] has just said, upon the future of agriculture in this Nation.

In driving Adam and Eve from the Garden of Eden the angel with the flaming sword announced to them a fundamental principal of future life for all mankind: "In the sweat of thy face shalt thou eat bread." Notwithstanding our remarkable progress in the physical sciences there is no alchemy by which man's three essential needs—food, clothing, and shelter—can be produced without labor. Either we sweat or someone sweats for us if we are to eat bread. The progress of civilization has been characterized by an effort to solve that problem either through the invention of labor-saving devices or the shifting of the burden to the shoulders of others.

Of all human needs food is the most essential. There has never been a period of recorded history in which many people did not go hungry and in which some did not die from starvation. In the Far East, hunger has been a perpetual problem. In the land of Goshen, normally flowing with milk and honey, famine during seven lean years was averted only by the prophetic vision of Joseph. In his African Game Trails, Teddy Roosevelt tells about natives falling on some wild animal he had killed and making a hearty meal of "blood and guts." And an ancient prophet of conservation tell us that the sands of the desert have covered once proud cities which nurtured a race that was unmindful of the good earth that fed it.

Western Europe to which we and a large portion of the world are indebted for the Christian religion, a system of law based upon reason and justice, literature, art, and science—in a word what we regard as modern civilization, has failed for several centuries to produce a food supply adequate for its needs. Domestic production has been supplemented by imports from Colonial possessions and by the exchange of industrial products for food.

Many factors enter into our greatness, not the least of which has been our ability to produce not only an adequate food supply for ourselves but likewise a surplus for export to others. If the time ever comes when we shall be unable to feed ourselves it will be the harbinger of the day when we shall cease to be the most powerful Nation in the world.

During my 31 years of public service, which commenced in the State Senate in

January, 1916, my chief ambition and my major objective have been to make some contribution in Virginia and in the Nation to the preservation of our soil and our renewable natural resources and the reestablishment of farming as a satisfying as well as remunerative manner of life. As a State legislator I worked for improved roads that would take our farmers out of the mud, and for rural schools that would release the vigorous minds of rural children from the bondage of ignorance. I supported tax reforms that lifted State taxation from farm lands and transferred the burden of building and maintaining farm roads from the localities to the State. For 10 years as a member of the Tax Committee of the House of Representatives I worked for tax legislation that would give due recognition to the fact that for 100 years the per capita cash income of the farm group was far below that of the nonfarm group. And during my 15 years of service in the Congress I have supported the entire legislative program of the Farm Bureau Federation including the Hull reciprocal trade agreement program to recapture foreign markets for our surplus tobacco, cotton, wheat, apples, and to a lesser degree other farm products, lost to us by an international trade war started by the enactment in 1930 of the Hawley-Smoot protective tariff. And for 12 years as chairman of the House Select Committee on Wildlife Conservation I endeavored to convince some 20,000,000 sportsmen in the United States that the future of hunting and fishing was definitely linked to the conservation of our fields and forests. During that period I insisted that the CCC camps and the Soil Conservation Service include the conservation of wildlife resources in their programs of conserving timber and land, as a means of bringing the farm group and the nonfarm group closer together and improving the recreational opportunities of both.

Since 1939 the net income of farmers, before taxes and before living cost rises are deducted, has increased 83 percent. That is greater increase than has been enjoyed by any other single group in the Nation, and has given rise to the charge that farm prices are unreasonably high and constitute a major factor in the current inflation equation. The charge is not well founded. Between 1930 and 1939 the farm dollar was exchanged for the industrial dollar at a discount, leading some to believe that they had a vested right to purchase their food below the cost of production. Farm prices have risen more than other prices but they started in 1939 at a much lower level. Notwithstanding recent gains, the current per capita net income of our farmers is only 46 percent of that of the nonfarm group, and the purchasing power of the nonfarm group is above the prewar level of 1939. Our Nation is now consuming 12 percent more food than in 1939 and is consuming better food. If consumption of food at present prices was at the level of 1939 the percentage of the average income spent for that purpose would be 3 percent less than it was in the 1930-39 period. And the nonfarm group may have forgotten

but our farmers will never forget that in the depression year of 1932 the net cash income of our farmers was only 23 percent of that of the nonfarm group. Nor will they forget that between May 1920 and January 1922 the cash income of farmers fell 60 percent. During the 1930 to 1938 depression thousands of farmers lost their land completely in foreclosure sales, while other thousands were able to retain their land by the sale of the fertility of its topsoil.

That is a situation which from the standpoint of future national defense as well as economic stability must not be permitted to recur. One-third of our topsoil is gone—exhausted or washed away—and we have an average of only 6 inches left. Our population will continue to increase and those now acquainted with the advantages of good food will always want it. We, plus Canada and Argentina, are the only three nations in the world with a surplus of food grain for export, and there will always be an export demand. Last but not least, the claim made by Thomas Jefferson more than 100 years ago, that our democracy can best be preserved through the preservation of the economic independence of our farmers, was never truer than it is today.

The depression which commenced in 1930 and lasted 8 years should have demonstrated to our industrial workers the extent to which full employment for them was dependent upon the purchasing power of the one-fifth of our population dependent upon agriculture. Sixty millions are now employed in industry and their output is 90 percent above the prewar level. In the years that lie ahead exports totaling not less than \$10,000,000,000 and sustained purchasing power of the farm group will be required to furnish employment for 60,000,000 industrial workers.

In the Bible there are recorded prophecies which came true 600 years after they were made. If there be any living man who can prophecy with assurance what will happen even 6 months from now I do not know him. The best that any of us can do is to make a well-informed guess. Since those who work in our Bureau of Agriculture Economics are better informed than I on factors that will influence the future of agriculture I shall give the Senate today its guess on the current outlook. Senators will, of course, observe that in making its guess the Bureau inserts an abundance of ifs, buts, and other qualifications.

The Bureau anticipates that the level of farm prices for 1949 will be about the same as the record level of 1947 and that income from farming will show only a slight decline, but both will be increasingly subject to fluctuations resulting from uncertainties in the foreign situation.

Employment, production, and incomes, which underly domestic demand, set peacetime records in 1947 and only a sharp break, which is not expected now, could cause a big drop in domestic demand for farm products within the next year. But the possible results of inflationary pressure must not be overlooked. With prices continuing to rise and specu-

lation increasing, our economy would become increasingly sensitive to shocks from such sources as shortages of basic materials, work stoppages, shifts in consumer spending and sudden changes in foreign balance. If these resulted in a further price boom followed by a reaction, the farmer would be a principal sufferer, just as he was after World War I. Farm product prices fall fast while interest on indebtedness, taxes, and many other elements entering into the cost of farming drop more slowly when a collapse occurs.

Foreign needs for American raw materials, including farm products, remain so critical that United States exports in 1949 will be limited almost entirely by the supply of dollars available.

We must remember that in 1946 the United States exports were more than \$8,000,000,000 in excess of our imports. Even after deducting \$3,000,000,000 of exports paid for by direct grants of public or private United States aid, that meant that foreign nations had to draw on their current earnings or reserves to the extent of more than \$5,000,000,000 to pay for our export balance.

During 1947 we were exporting at the rate of \$11,000,000,000 a year in excess of our imports. United States merchandise exports, particularly agricultural products, have declined this year from the 1947 record level. The value of agricultural exports in the first quarter of 1948 was lower than in any quarter of 1947 and about 13 percent below the 1947 quarterly average of \$983,000,000. The European recovery program will tend to support agricultural exports during the remainder of 1948 but may not maintain them at first-quarter levels.

Foreign purchasers probably will not earn exchange much faster next year than in 1947 and their holdings of dollar assets and gold to make up the balance continue to be reduced. So, except to the extent that we find ways of increasing our import trade, the measure of our exports in 1949 will be largely the amount of Marshall-plan aid that is authorized.

The influence of this situation on farm-product prices is evident when we consider that in 1946 the physical quantity of our agricultural exports was about two and a half times the 1940 level and the value was nearly five times the 1935-39 average. In 1947 the quantity was 5 percent above 1946 and higher prices made the value still higher. This year, however, the quantity is substantially lower to date and if current prospects for crop production abroad are realized, foreign takings of United States farm products will be reduced perhaps 15 to 20 percent below last year's record of \$3,900,000,000.

Wheat exports, which accounted for about one-third of the total value of agricultural exports in 1947, will be considerably less than last year's record but exports of cotton, tobacco, and fruits, which declined last year, are likely to be increased.

Before the war, cotton and tobacco made up about two-thirds of the value of our agricultural exports and food the rest. Since the war, the proportions have been reversed. The action of

Britain in stopping exports of American tobacco last year to save dollars gave us a sample of how seriously the market for nonfood products may be affected by policies adopted by foreign countries in meeting their exchange problems.

Considering the outlook from a price angle, the Bureau of Agricultural Economics says there should be little change from 1947 levels in 1948 and prices should remain high enough generally to assure farmers a profitable return for a maximum production. At the same time the agency predicts that prices paid by farmers will average as high or higher in 1948 than in 1947 so that the parity ratio will remain about the same.

Here is the price picture, as the Bureau sees it, for some specific classes of farm products in 1948:

Livestock and meats: Total cash receipts to farmers for sales of meat animals probably will be a record or near-record despite prospect that total marketings will be the smallest since 1942.

Dairy products: Average prices about the same or higher than in 1947.

Poultry and eggs: At least as high average prices for eggs in 1948 as in 1947. Prices of turkeys and chickens will tend to remain strong because of shorter meat supplies and high consumer incomes.

Oils and fats: European demand will remain strong because poor crops have increased food needs and fats and oils are fairly inexpensive sources of calories. Prices in the United States will remain high as long as these conditions continue. Prices to farmers for the 1947 peanut crop were the highest in 37 years of record, due largely to the export demand for oils. Some decline is expected but levels would have to drop about 50 percent to reach support levels and such a drop is regarded as unlikely to occur within the next few months.

With respect to wheat, corn, and feed grain it is likely that prices in 1948-49 will continue well above support levels.

Fruits: Prices in 1948 probably will be about the same as in 1947 although demand may be slightly weaker.

Potatoes: Demand in 1948 probably will be about as strong as in 1947. Prices early this year were higher than last winter and exceeded support prices.

Mr. MAYBANK. Mr. President, the Senator from Virginia is making a most able and excellent address on the agricultural situation, and there are so few Senators present to listen to him that I suggest the absence of a quorum, with the Senator's permission.

The PRESIDING OFFICER. Does the Senator from Virginia yield for that purpose?

Mr. ROBERTSON of Virginia. I yield for that purpose.

The PRESIDING OFFICER. Suggestion is made of the absence of a quorum. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Bridges	Capehart
Baldwin	Brooks	Capper
Ball	Buck	Chavez
Barkley	Butler	Connally
Brewster	Byrd	Cooper
Bricker	Cain	Cordon

Donnell	Langer	Robertson, Wyo.
Downey	Lucas	Russell
Dworshak	McCarthy	Saltonstall
Eastland	McClellan	Smith
Ecton	McFarland	Sparkman
Ellender	McGrath	Stennis
Feazel	McKellar	Stewart
Ferguson	McMahon	Taft
Flanders	Magnuson	Taylor
Fulbright	Malone	Thomas, Okla.
Green	Martin	Thye
Gurney	Maybank	Tobey
Hatch	Millikin	Tydings
Hawkes	Moore	Umstead
Hayden	Morse	Vandenberg
Hickenlooper	Murray	Watkins
Hill	Myers	Wherry
Hoey	O'Connor	White
Holland	O'Daniel	Wiley
Ives	O'Mahoney	Williams
Johnson, Colo.	Pepper	Willson
Johnston, S. C.	Reed	Young
Kem	Revercomb	
Kilgore	Robertson, Va.	

The PRESIDING OFFICER. Eighty-eight Senators having answered to their names, a quorum is present.

The Senator from Virginia is recognized.

Mr. ROBERTSON of Virginia. Mr. President, today we have heard much discussion about tobacco. Before the war, exports of flue-cured tobacco were half of production; in 1946-47, they were nearly 40 percent of a record crop. Reduced exports are to be expected, because of exchange problems, but this may be offset to some extent by domestic use which is expected to continue at peak levels. Cigarette manufacture will set a record. Because of the large production of flue-cured tobacco for the last 2 years, stocks have increased, and in view of prospects for demand, supplies would have been excessive in 1948-49 if production had not been cut substantially. Supplies of fire-cured and dark air-cured tobacco also are larger than a year ago, and would have been burdensome if reduction of allotments had not assured lower production in 1948.

Without undertaking to prophesy price trends for next year, I do wish to endorse several factors mentioned by the Bureau as having a possible influence thereon. That the farmer would be a principle sufferer if the present boom should turn next year into a deflation is undoubtedly true. Using wholesale prices for 1926 as 100, wholesale prices advanced 27 percent more in 6 years after the commencement of World War I than in a similar period since the commencement of World War II. The former inflation was followed by a deflation which was most injurious to our farmers. With \$110,000,000,000 of currency and bank check money in the hands of consumers no one can accurately predict at what exact point enough consumers would be priced out of the market to end the current boom. We know that the margin between purchasing power and prices is rapidly narrowing. The best antidote for our inflation is increased production, especially in such items as steel, coal, fertilizer, automobiles, electrical appliances and housing.

For the long pull with respect to export markets for farm products, the 102 multilateral trade agreements signed last year at the Geneva Trade Conference is an encouraging trend for the American farmer, notwithstanding the fact that

the scheduled tariff reductions in many of them will not become immediately effective, although our reductions in the 15 agreements to which we are a party became immediately effective.

In this connection I would like to reiterate the view I expressed in connection with the recent discussion of extension of the Reciprocal Trade Act as to the vital importance of this program to our economy.

To a large extent modern wars have been trade wars. If it be true, and I believe it is, that economic chaos is the spawning bed for communism and that desperate men are willing to exchange ballots for bread, what contribution to a lasting peace would be our help in the economic rehabilitation of the countries of western Europe if after rehabilitation we refuse to trade with them? In two disastrous world wars we have found that war is indivisible. Most of us are convinced that peace is indivisible; that the economic welfare of democracy elsewhere in the world is of major concern to us; and that President Roosevelt was right when he said in 1927: "Our frontier is on the Rhine."

While export markets are available to industry and agriculture alike and particularly valuable to such farm crops as tobacco and cotton, it must be borne in mind that our domestic market has been and always will be our principal market. Any worth-while farm program, therefore, must have as its major objective appropriate adjustments to the domestic market. It is already apparent, for instance, that we are producing more tobacco and more peanuts that we can profitably sell. Some of the land now devoted to those crops must be shifted to other types of production. On the assumption that domestic prices will fall before production costs go down more efficient use must be made of machinery, gas engines, and electric power. I do not know the current figures but a few years ago the average farm in Virginia contained only 50 acres. The owner of such a farm cannot afford to buy and operate the machinery he needs.

Agriculture has become industrialized and to successfully compete, the modern farmer must have modern equipment. I am told, for instance, that 34 years ago 32 minutes of man-labor were required to produce a bushel of corn. Today, only 6 minutes. This tremendous saving in time has been brought about mostly by improved power machinery, plus the improved varieties of seed, disease control, and better use of fertilizers. But from 1913 to 1915 only 29 percent of the cost of corn production was cash outlay. Today it is 68 percent. Tractors, machinery, fuel oil, and the necessary reserve for depreciation on machinery make up 33 percent of the cost of producing corn today as compared with only 6 percent some 20 years ago.

During the past quarter of a century the problems of farm production have to a large extent been solved. We have not achieved the ultimate in efficient farm production because some do not apply known principles, others cannot finance the purchase of necessary equipment, and still others do not yet enjoy the

benefit of rural electrification. But the farm problem which has not been solved and which merits our best attention and best efforts is how to make farming a more satisfactory manner of life, how to combine with the vigor and independence of farm life the social and cultural advantages of city life. For more than half a century the trend has been away from the farm to the big industrial centers. Agriculture is so vital to the future of this Nation that we cannot afford to keep losing our brightest and most energetic boys and girls because farm life is distasteful to them. Farm families must have more money to invest in better housing and in the amenities of life. Work on the farm for the boy, work in the home for the girl, need not be ill-paid drudgery. We must seek to develop in rural sections better elementary schools and make available to farm boys and girls in secondary schools and in colleges training in the arts and sciences of modern life as well as in scientific agriculture. We must give support to Ruritan Clubs which seek to develop the social activities and the community spirit of their respective neighborhoods.

In these several ways we can lay foundation stones for the perpetuity of our democracy. We start with the fact that every farmer knows that there is no substitute for work. We start with the fact that every farmer believes in a system of private enterprise under which superior brains, character, and energy may expect a superior reward. It is not an eleemosynary system nor one that guarantees anyone anything. Communism guarantees the essentials of food, clothing, and shelter, but delivers those essentials at a low level and at the price of chains and slavery. Our farmers know that our system of private enterprise is one in which they may take some hard knocks, but in doing so they build strength, character, and self-reliance, and over and above all else they are free. The best collateral for the loans we have made in the past and the loans we shall make in the future to the British people is that they love personal freedom. The best monument that we can build to the memory of those who died in two world wars for our freedom will be to make farming in America a satisfying manner of life. "Let us never forget," said Daniel Webster, "that the cultivation of the earth is the most important labor of man. When tillage begins other arts follow. The farmers, therefore, are the founders of civilization."

Of course, Mr. President, entertaining the sentiments I have expressed on the general problems involved in farming and in agriculture generally, I believe in a long-range program, but I regret very much, with all due deference to the distinguished Senators who are sponsoring the Aiken bill, that I do not feel prepared to vote tonight on that bill, because, frankly, I do not know what is in it. I have studied the hearings, but the hearings were on a different bill. There were about 500 pages of hearings, and nearly all the witnesses had some suggestions or some criticisms to make of the first bill which was introduced. That bill was completely eliminated, and we have an-

other bill of 96 pages. So far as I know, there have been no hearings on it, and I am sure the bill has not been sent over the country for study and comment, because I have not heard or received any comment from anyone in Virginia about what is in the new bill.

Mr. EASTLAND. Mr. President—

The PRESIDING OFFICER (Mr. THYE in the chair). Does the Senator from Virginia yield to the Senator from Mississippi?

Mr. ROBERTSON of Virginia. I yield.

Mr. EASTLAND. The Senator speaks of the new farm bill. Is the Senator speaking of the Aiken bill?

Mr. ROBERTSON of Virginia. Of the new Aiken bill.

Mr. EASTLAND. Is it not a fact that we are required to pass a farm bill providing for acreage reduction due to the policy of the Republican Party in enacting the Hawley-Smoot Tariff Act, raising the tariff barriers so high that foreign countries could not get dollar exchange with which to purchase American farm products? The Republicanism tariff policy, which has impoverished American agriculture, which has drained off the wealth from American agriculture and siphoned it into eastern industrial areas, is what caused this bill to be brought forth. Because of those tariff walls foreign countries do not have exchange with which to buy the food and fiber they need.

Mr. ROBERTSON of Virginia. I have taken some time this evening—I hope not too much time—in discussing that very problem, and in undertaking to demonstrate that for 100 years the per capita income of the farm group has been lower than that of the nonfarm group, and that foreign markets have always been essential to our farmers because we produce more than we consume. I called attention to the fact that 40 percent of our cotton at one time was exported, from 40 to 50 percent of our tobacco, 20 percent of our apples, from 10 to 15 percent of our wheat. We have always needed the foreign markets, and of course if in the long run we do not receive imports from other countries from which they can obtain dollar exchange, they cannot buy from us. Our exports are running at the present time \$5,000,000,000 more than our imports, and those exports are being financed to no small extent by loans and gifts. We know we cannot keep that up indefinitely. But I did want to say before I ended—and I have already spoken longer than I had planned to speak—just a word or two as to why I preferred action at this time on the Russell substitute to action on the new and amended Aiken bill.

As I said, the amended Aiken bill may be a wonderfully fine bill, but the first bill was certainly not a good one. I pointed out that practically all the witnesses criticized it, and the committee abandoned it in toto. Then after the proponents had brought out the new bill, on which there was no testimony, they themselves have offered 10 pages of amendments—I counted, I believe, 47 amendments in the 10 pages; I might have missed some—and I could not help but think, when the distinguished Sena-

tor from Vermont was reminding us on the Democratic side that a Democratic President had just praised his bill in a speech made in California, that while he was doing so the President's Secretary of Agriculture was pleading with the Senator from Vermont to make changes in his bill, and, as I understood him yesterday, most of these 47 changes were made at the request of the Secretary of Agriculture because he was not satisfied with the form in which the bill was drawn.

So, Mr. President, there is my problem. A bill consisting of 96 pages has been brought before the Senate. When debate began on it 10 pages of amendments to the bill were adopted. Then when Senators on the floor indicated they were not satisfied, the sponsors of the bill accepted an amendment relating to potatoes, another amendment relating to apples, another relating to chickens, and the Senate adopted an amendment affecting tobacco, and, the Senator from Georgia [Mr. RUSSELL] says, an amendment dealing with ducks was put in the bill.

Mr. MAYBANK. Dead ducks.

Mr. ROBERTSON of Virginia. I had overlooked that amendment. I guarantee, however, that with the possible exception of the distinguished Senator from Vermont, who drew both bills, and who agreed to the various amendments, and who prepared other amendments, there is not another Member of this distinguished body who could stand on the floor tonight and without reference to numerous notes tell us what is now in the bill and what it means. I note, for instance, the bill starts off in the first part of it to abolish all local committees of the Production and Marketing Association. It is proposed to combine production and marketing with soil conservation and have an entirely new setup. That might be wise; I do not say it is not wise; I merely say that I am not prepared to vote, in effect, in the dark on taking a step such as that. There are 2,500 individuals in the production and marketing units of Virginia who handle acreage control, price support, and things of that kind. We have soil-conservation districts and men who are engaged in that work. We have the extension service, and men engaged in that work.

There is one thing I have noticed in the new bill, which apparently is in the right direction, and that is that it provides that in the future all educational work shall be under the supervision and direction of the Extension Service. I think that is a good provision.

I am not condemning the bill, Mr. President, because it would not be fair for me to condemn something I do not understand. I have tried to understand and have a little knowledge of what I am called upon to vote on. If I did not have to vote on the measure one way or another it would be a good thing; but I am obliged to vote, and being obliged to vote I want to say that I prefer to vote for what I know about, and I do know about the existing plan. Under the amendment of the Senator from Georgia that plan is to be continued in substantially its present form for 2 years. Perhaps the

Senator from Georgia [Mr. RUSSELL] will accept an amendment to make it less than 2 years, because June 30 is not a good time to end a support program. But I do know what that program means, Mr. President. It continues 90 percent of parity for certain basic products and a lower percentage for others.

Mr. President, I have given the Senate the statistics which were furnished me today by the Bureau of Farm Economics that prices for this year, and so far as it could tell, well into next year, will run about as they are now, and the Bureau cannot anticipate that any major crop will fall below parity. If that be true, and since Congress will reconvene next January, why should we try tonight to adopt a long-range permanent program which we have never had before, which we do not understand, from which we may not be able to get away once we adopt it, and which, as the Senator from Georgia has said, may result, when our farmers are asking for bread, in handing them a stone. The safe, the prudent thing to do is to continue the present support program for the farmers for a limited period, and then when Congress meets next year, if the bill, as amended, is the answer to the farmers' prayer for permanent support for agriculture, we can receive the testimony of experienced witnesses and know what we are doing.

Mr. President, I discussed this matter for a long time with my good friend, AUGUST H. ANDRESEN, of Minnesota, with whom I served in the House. He told me, "We will not take your Aiken bill." Then I discussed the matter with Representative HOPE, of Kansas, whom I have known for many years, who is chairman of the Committee on Agriculture of the House. He said, "We will not take your Aiken bill." Then the former chairman of the committee, and now the ranking minority member, Representative JOHN FLANNAGAN, of Virginia, came over to the Senate floor and told me, "The House will not take the Aiken bill." In view of that, does my distinguished friend, the Senator from Vermont, mean to say to us, "We are going to adjourn Congress without any relief for farmers at all?" The House will not take this bill. Will the Senator from Vermont, in view of that situation, say, "We are not going to take the House bill," thus winding up in a deadlock and leaving the farmers between the upper and the nether millstones? I hope that is not the Senator's position.

Mr. President, in view of the fact that the House will not take the Senator's bill, in view of the fact that there are so many Members of this body who want to help the farmers, but do not want to take a leap in the dark, I hope the Senator will join with us in putting through in the present session the House provision for a temporary continuance of the support program, and let us leave alone the long-range program which may come up for action next January.

Mr. MAYBANK obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield to me?

Mr. MAYBANK. I yield to the Senator from Nebraska for any questions he make wish to propound.

Mr. WHERRY. There was some discussion awhile ago with reference to what the Senate might take up next. I am not sure why that question was asked, but I should like to say that, if it makes any difference in the matter of obtaining unanimous consent, I should like to propound to the proponents and the opponents of the pending measure the following question: If they feel that ample debate has been had on the pending bill, or can be had by a certain hour—and I would suggest not later than 8 o'clock—can we then conclude the debate, and begin voting on the pending amendment in the nature of a substitute, and any amendments thereto which are germane, and then proceed to vote on final passage? Do the proponents and opponents of the measure feel that such an agreement can be entered into?

Mr. ROBERTSON of Virginia. Since I was the one who made the request, and since the Senator from Nebraska says he does not know why I made it, I should like an opportunity to explain why I made it.

Mr. WHERRY. Mr. President—

Mr. MAYBANK. Mr. President, I have the floor, and I yielded to the Senator from Nebraska to propound some questions.

Mr. WHERRY. Mr. President, if I may be permitted to submit my unanimous-consent request, I think we shall not have to argue. I shall be glad to enter into a unanimous-consent agreement that, immediately following the vote on all the amendments and the bill now under discussion, if we can agree on an hour, the Senate proceed to consider Calendar No. 1387, Senate bill 2589, which is a bill to provide for extension of the terms of office of the present members of the Atomic Energy Commission. The idea is that it would expedite matters if we could take up this other legislation tonight. I do not want to cut off debate. If there are Senators who feel that we should continue the debate on the pending bill, I would not want to shut off debate at all. But I feel that if the proponents and the opponents could agree on an hour—say 8 o'clock, or whatever hour is reasonable, if it is early enough—we could then proceed immediately to take up the Atomic Energy Commission bill.

Mr. MAYBANK. I should like to say to the distinguished acting majority leader and to the distinguished Senator from Iowa [Mr. HICKENLOOPER] that I am in thorough agreement with their desire to bring up the Atomic Energy Commission bill. I have a long speech on oleomargarine, in addition to my extemporaneous speech on cotton, which I shall be glad to place in the RECORD. In deference to my good friends from Nebraska and Iowa I do not wish to delay the proceedings.

Mr. WHERRY. I deeply appreciate the Senator's cooperation.

Let me now submit a suggestion to the Senator from Georgia [Mr. RUSSELL]. Calendar No. 1387, Senate bill 2589, is a bill to provide for the extension of the terms of office of the present members of the Atomic Energy Commission. Con-

sideration of that bill would be a part of the unanimous-consent agreement.

Mr. BALDWIN. Mr. President, reserving the right to object, there is on the calendar Senate bill 1949, a bill providing for an increased salary payment to postal employees. I believe that the bill has great merit. I should like to have the assurance of my distinguished friend from Nebraska that we can get some action on that bill before the Congress adjourns.

Mr. MAYBANK. Mr. President, I have the floor.

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. MAYBANK. I had the floor, and I yielded to my friend from Nebraska. The distinguished Senator from Connecticut stated that there was a bill on the calendar providing for an increased salary payment to postal employees. That bill provides for more than a salary increase for postal employees, does it not?

Mr. BALDWIN. I believe not. Senate bill 1949 provides for an increase in salary payment to postal employees.

Mr. MAYBANK. Postal employees only?

Mr. BALDWIN. That is correct.

Mr. MAYBANK. I am in thorough accord with the wish of my friend from Connecticut. However, the Senator from New Hampshire [Mr. BRIDGES] is the sponsor of a bill in behalf of navy yard workers. There are also other bills of that nature which should have consideration.

Mr. BALDWIN. I concur in the statement of the Senator from South Carolina. I believe that all the salary-increase bills should be considered before we adjourn.

Mr. MAYBANK. Of course, they should be.

Mr. WHERRY. Mr. President, I am in this position: If we are to adjourn on Saturday, we cannot guarantee which bills will receive consideration. However, I think I can assure the distinguished Senator from Connecticut that that is one of the pieces of legislation which will be brought before the Senate in time to get action in both Houses. I cannot guarantee that. I cannot guarantee anything. We can expedite the business of the Senate if we can obtain unanimous-consent agreements and reach a vote.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Nebraska?

Mr. RUSSELL. Mr. President, I did not understand what time had been suggested.

Mr. WHERRY. I did not suggest a definite time. I had in mind perhaps 7:20, 7:30, or 8 o'clock.

Mr. RUSSELL. It is now 25 minutes past 7. We could not very well turn the clock back. I would agree to vote on the substitute and conclude the debate thereon by 8:30, the time to be evenly divided. But there are three amendments which I intend to propose; and in the event the substitute should not be accepted, I should like to have 3 or 4 minutes briefly to explain those amendments.

Mr. WHERRY. I am sure there will be no objection to that.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request to vote on all pending amendments at 8:30?

Mr. LUCAS. Mr. President, reserving the right to object—

Mr. RUSSELL. Mr. President, I had reserved the right to object. I want to understand exactly what I am agreeing to before I withdraw the reservation.

Mr. WHERRY. Mr. President, will the Senator from Georgia permit me to suggest a unanimous-consent agreement which I think is in keeping with his wishes?

I ask unanimous consent that at the hour of 8:30 the Senate proceed to vote on the pending question, which is the substitute for the committee amendment; and that thereafter the Senate proceed to vote on any amendments which are germane to the bill. I am satisfied that the distinguished Senator from Georgia will have no difficulty in obtaining 5 minutes on each amendment to explain his amendments so that Senators may know what they are voting upon. Then we can proceed to a final vote on the bill.

After a final vote on the bill has been had, a part of the unanimous-consent request is that the unfinished business be made Senate bill 2589, Calendar 1387, a bill to provide for extension of the terms of office of the present members of the Atomic Energy Commission.

Mr. RUSSELL. Mr. President, it would be agreeable to vote at 8:30 on the pending substitute, with the understanding that the three amendments which I intend to propose shall not be debated for longer than 10 minutes, the time to be equally divided between the Senator from Georgia and the Senator from Vermont. At the conclusion of the vote on the amendments the Senate would vote on final passage of the bill, and would then proceed to the consideration of Senate bill 2589, Calendar 1387, the bill to provide for extension of the terms of office of the present members of the Atomic Energy Commission. I would agree to that.

Mr. WHERRY. Does the Senator wish to limit amendments to those which are germane to the subject matter?

Mr. RUSSELL. Under my suggestion, no amendments would be offered save the three to which I refer, which have already been printed and are lying on the table.

Mr. MAYBANK. Mr. President, I make the further request that no amendments which are not germane shall be offered to the Atomic Energy Commission bill.

Mr. WHERRY. Mr. President, let us not get so far out that I do not know what I am doing. I have no objection to that request.

Mr. MAYBANK. I submit the request, Mr. President.

Mr. WHERRY. I have an amendment which I should like to present. May I have 5 minutes to discuss it?

Mr. AIKEN. Certainly.

Mr. RUSSELL. If a rule as to germaneness of amendments is to be adopted, I should like to modify it to this extent, that any amendment which may be proposed may be debated for not longer

than 10 minutes, the time to be divided equally between the author of the amendment and the Senator in charge of the bill.

Mr. WHERRY. That is satisfactory to me.

Mr. LUCAS. Mr. President, I have a number of amendments to present to the amendment offered by the Senator from Georgia.

Mr. AIKEN. Mr. President, let me suggest that if the time is evenly divided, there will be half an hour for each side.

Mr. LUCAS. In view of the vote this afternoon, it is very possible that the amendment offered by the Senator from Georgia will be accepted.

Mr. MAYBANK. Mr. President, have I the floor?

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. MAYBANK. I decline to yield further. The Senator from Illinois has suggested that the adoption of the amendment of the Senator from Illinois might make possible the acceptance of the amendment of the Senator from Georgia. I hope that the amendment of the Senator from Georgia will be adopted, because it would benefit the cotton farmers, the cotton ginners, the cotton buyers, the cotton workers, and everyone except the New Orleans and New York Cotton Exchanges and the Chicago Board of Trade.

Mr. IVES. Mr. President—

Mr. MAYBANK. Mr. President, I decline to yield further.

Mr. IVES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from South Carolina yield for a parliamentary inquiry?

Mr. MAYBANK. I yield.

Mr. IVES. I am trying to ascertain the request which has been made by the distinguished acting majority leader. As I understand, the request applies to amendments to the substitute amendment.

Mr. WHERRY. The unanimous-consent request is to vote on the substitute at 8:30, and thereafter to allow 10 minutes for each amendment which may be proposed to the bill, and that the time be equally divided between the proponents and the opponents of the measure.

The PRESIDING OFFICER. The Chair wishes to inform the Senator from Nebraska that if the substitute amendment is adopted, that will preclude the offering of any other amendment, inasmuch as then there will be a substitute bill.

Mr. RUSSELL. Mr. President, the Chair is entirely correct. For that reason I stated in my unanimous-consent request that in the event the substitute amendment be rejected, the rule as to amendments will apply.

Mr. WHERRY. Mr. President, I so amend my request, certainly.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request to vote on the substitute amendment at 8:30 p. m.?

Mr. LUCAS. Mr. President, reserving the right to object, let me say that I may agree to the request, because I think it is

proper. But I wish to state, as I started to say a moment ago, that in view of the vote which was had this afternoon on the amendment of the Senator from Kentucky, it seems to me there is a possibility that the amendment of the Senator from Georgia in the nature of a substitute for the committee amendment might prevail. Mr. President, I have some amendments which perhaps the Senator from Georgia will agree to; they are amendments which I believe would help his substitute amendment. That is what I wish to discuss. Even at this late hour I do not wish to be barred from discussing those amendments, because it seems to me that the matters to which they relate are important.

We have heard a great deal about what is contained in the so-called Aiken bill, but we have not heard very much about what is contained in the Russell amendment in the nature of a substitute.

Mr. WHERRY. Mr. President, if that is the case, there is no possibility of obtaining a unanimous-consent agreement, I assume. I assumed that if the substitute amendment were adopted, that would bring all these matters to an end. However, if the Senator from Illinois wishes to have more than 10 minutes on each of his amendments—

Mr. LUCAS. Mr. President, it might not take me more than 10 minutes on all of my amendments, but I wish to be able to discuss them with the Senator from Georgia when I have an opportunity to obtain recognition.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. LUCAS. I object.

Mr. WHERRY. Then, Mr. President, let me make another request. I ask Senators please to be patient, for I am trying to expedite the handling of this matter. Will the Senator from Georgia agree to the proposed unanimous-consent agreement, if it is modified so as to provide for a vote at 9 o'clock, so that it will be agreed that the vote on the amendment in the nature of a substitute will be had at 9 o'clock, and that between now and then the amendments to the substitute may be offered? At that time we certainly should be able to vote on the substitute if it is amended.

Mr. LUCAS. Mr. President, let me propound a further inquiry. Is it the intention of the acting majority leader to have the Senate take up the atomic-energy bill tonight and conclude action on it tonight?

Mr. WHERRY. I should like to have action on it concluded tonight, if possible; but if not, we would make it the unfinished business, and carry it over until tomorrow.

Of course we have already arranged to begin to call the calendar when the Senate convenes tomorrow.

Mr. LUCAS. Very well, Mr. President; if the Senator is agreeable to having the vote taken one-half an hour later than the time first proposed in the requested agreement, I shall have no objection.

Mr. WHERRY. Then, Mr. President, I submit the request as it has been stated by the Senator from Georgia, except to

have the hour for voting 9 o'clock instead of 8:30.

The PRESIDING OFFICER. Is there objection to the request as now presented?

Without objection, it is so ordered.

Mr. RUSSELL. Mr. President, I have no objection to the agreement. I assume that the time will be equally divided.

Mr. MAYBANK. Mr. President, I should like to ask the Senator from Georgia a question. As I understand, the situation under the agreement, we shall have half an hour and the other side will have half an hour on the amendments. Is that correct?

Mr. RUSSELL. Mr. President, it is my understanding that the time will be divided equally between now and 9 o'clock, and that at least 30 minutes will be allowed to the Senator from Illinois for his amendments, and that that time also will be equally divided.

Mr. MAYBANK. In other words, we have half an hour.

Mr. RUSSELL. The Senator is correct.

REPEAL OF THE OLEOMARGARINE TAXES

Mr. MAYBANK. Mr. President, in connection with the oleomargarine situation, I have prepared somewhat lengthy remarks, and I now ask consent to have them printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Mr. President, the Eightieth Congress seems bent on proving once again that in this democracy the will of the people does not always prevail and even the will of an overwhelming majority of Congress can be thwarted by a few.

The people have made it abundantly clear that they want the Federal antimargarine laws repealed. I do not refer merely to the Gallup poll which showed that 69 percent of the people of this country favor repeal while only 15 percent oppose it and which also revealed that a majority of the farmers of this country favor repeal. I refer to the thousands of letters from housewives and workingmen and merchants—from individuals all over the United States—which, week after week and day after day, have poured into the offices of Members of the Senate and the House asking that these discriminatory laws be removed from the statute books. I refer to the testimony in the House and Senate hearings on this subject by official representatives of organizations of wholesale and retail grocers, settlement houses, hospitals, farmers, veterans, labor, women's groups, consumers, and many others—all overwhelmingly in favor of repeal. I refer to hundreds of editorials from newspapers in every State in the Union, weeklies and dailies, large and small which, regardless of whether they are conservative or liberal, Republican or Democrat, have united in demanding an end to these vicious laws.

Congress has made its attitude abundantly clear, too. Nearly 2 months ago, the House passed H. R. 2245, sponsored by my distinguished fellow South Carolinian, Representative MENDEL RIVERS, the bill to repeal all the Federal taxes and license fees on margarine, by a vote of 260 to 106. During the very thorough debate in the House on this issue more than a dozen amendments were offered which would have modified or diluted the repeal measure. Every one of them was voted down. The House had, earlier, demonstrated its attitude when 218 Members took the rare step of signing a petition to discharge one of their most respected

committees—the Agriculture Committee—from further consideration of H. R. 2245 after that committee had followed its traditional practice of tabling all margarine tax repeal measures.

Republicans and Democrats, northerners, westerners, and southerners, representatives from States with large dairy interests as well as those from States with cotton and soybean interests, and representatives from large urban and small-town areas, too, all joined to make the position of the House unmistakably clear—the House of Representatives wants these antimargarine laws repealed.

When the bill came to the Senate this body was so zealous for repeal that it overruled its distinguished President and by a vote of 47 to 30 referred H. R. 2245 to the Senate Finance Committee in order that the measure might have prompt consideration there so that we might be able to act on it before this Congress adjourned. The Finance Committee held full hearings on H. R. 2245. Both sides had every opportunity to state their positions, clearly and fairly. And what was the result?

The Senate Finance Committee reported H. R. 2245 favorably, with one strengthening amendment. The vote was 12 to 0. I want to emphasize that point, for as you know, there are Members on the Finance Committee from States with large dairy interests, and yet there was not one single vote on that committee against the antimargarine laws.

The attitude of the whole Senate on this issue was further demonstrated on Tuesday of this week when this body voted 57 to 26 to bring up H. R. 2245 for consideration.

I think the record shows convincingly that for every Member of the Eightieth Congress who favors retention of the Federal antimargarine laws there are two or more who favor repeal. I do not believe that even the most ardent supporter of the butter lobby's position would deny that statement.

Yes, the people favor repeal of the Federal antimargarine laws—overwhelmingly. The Eightieth Congress favors repeal of the Federal antimargarine laws—overwhelmingly. And yet—it would appear—those laws are not going to be repealed.

Why? I think we are entitled to ask that question and I think the people of this country are entitled to an answer.

We are told that the Senate doesn't have time to consider the question, that Congress must adjourn this week.

I am not satisfied with that answer and I don't think the people of this country will be satisfied with it.

This is legislation by the clock and it is the wrong way to legislate. The leadership of the Congress should be reminded that we are the servants of the people and not independent entrepreneurs. We are, to state it bluntly, hired to represent the people here and to carry on their business here. We have an obligation to the people who sent us here to finish our job before we quit.

I do not delude myself that what I say now will change the minds of the GOP leadership. If they decree it, I suppose we shall quit this week without action on H. R. 2245 and other important matters. And apparently they are determined to decree it.

But even if we quit this week there is no proper reason for not considering H. R. 2245. I know that there are Members who have threatened to filibuster this bill. But these same Members are among those most eager to adjourn Saturday night. Let them talk then, until the one desire—to quit—overcomes the other—to defeat by talk—this margarine tax repeal measure. We will at least learn then how strongly these Members believe in the absolute necessity of quitting now whether the business of the Senate is completed or not.

I don't believe there is any such necessity, although I am as eager as anyone here

to go home. But I don't want to leave until we finish our job. And one of our jobs is to repeal the Federal antimargarine laws.

It is said that there are more important measures to consider than H. R. 2245. In one sense that may be true. Europe will not go hungry. Government bureaus will not be deprived of funds, our foreign trade will not suffer—if we fail to act on H. R. 2245. But the importance of this measure should not be minimized. This is not just a bill to remove a few Federal taxes and license fees. That is not insignificant in itself, but it is only a part—the smaller part—of the real issue.

That issue is one of principle and of justice—and it strikes at the fundamental concepts upon which this country was founded and upon which, with a few unfortunate deviations, it has flourished for 160 years. How many tributes have been paid to our free-enterprise system during all these years! How many glowing tales of achievement under a system of free American markets were initiative and skill were justly rewarded and where the economic privileges and royal franchises of European oligarchies were no more! Our proudest boast from childhood has been that we Americans believed in fair play.

But for margarine—for the industry, for the farmers who grow the ingredients of margarine, for the hundreds of thousands of wholesale and retail merchants who sell it, enterprise has not been free. Margarine has entered the market shackled and restricted. The initiative and skill which produced margarine, and has steadily improved it, has been impeded at every step. Butter, its competitor, has been granted economic advantages unique in our Federal legislative history. And "fair play" has been only a mockery as far as margarine is concerned.

No other American product is discriminated against by the Federal Government in this way. For a hundred years before 1886, when the first Federal antimargarine law was enacted, we had avoided the economic sins of our European forebears. We had never before erected an internal tariff against one American product for the alleged protection of another. Indeed, one of the chief differences—one of the great progressive improvements of the constitutional system over the earlier Articles of Confederation—was that it opened the way for free trade within the 13 States. No longer could Virginia impose import duties on the products of Massachusetts or Pennsylvania on those of the Carolinas. Largely as a result of this free internal trade system, economic and industrial progress was achieved in this country in a few generations than had ever been achieved before in the long history of man.

It is little wonder then that those who proposed the first Federal antimargarine law proposed in 1886 were apologetic on this point. They admitted, in the words of Senator Miller of New York—who sponsored that measure in the Senate—that this was "a new species of legislation" in this country.

Mr. President, it was a "new species" and it was a shameful one for it had as its frank and avowed purpose—admitted freely over and over again—the crippling or the destruction of one legitimate American industry for the benefit of another and competing American industry. I could fill the CONGRESSIONAL RECORD with these admissions of the butter lobby and its spokesmen as to the true purpose of the antimargarine laws. But I shall not take the time. It is all there for you to see in the RECORD. I shall mention only a few samples. Senator Miller said that he wanted the bill to protect the dairy industry of New York and he wanted it even if it went so far as to "exterminate the rival industry, if necessary." Other Congressmen repeated this view. In 1902, when the original law was amended to place a prohibitive 10 cents a

pound tax on artificially colored margarine, the testimony of the butter interests before the House Agriculture Committee was so shockingly bare-faced on this point that it provoked the chairman of that committee, Representative WADSWORTH, of New York, and six other members, to issue a minority report in which they said:

"We do not believe that Congress ought to ruin one American industry to benefit another. And that is just the object sought by these men by their own confession. * * * The minority believes it to be class legislation of the most pronounced kind and it would establish a precedent which, if followed, would create monopolies, destroy competition, and militate against the public good."

In 1932, when—the earlier laws having failed to destroy the margarine industry—the butter interests secured another amendment applying the 10 cents per pound tax to naturally colored yellow margarine, Senator Townsend, who led the fight for that amendment in the Senate, admitted what none can doubt: "The record of the proceedings of Congress," he said, "will convince any reader that the intent of the enactment was to protect the dairy interests."

That is still the intent of the antimargarine laws. It has not changed one iota. As late as 1941 the Dairy Record, a magazine representing the dairy industry, said: "The dairy industry * * * must never rest until the manufacture and sale of oleomargarine have been outlawed in this country." And testimony of the butter interests in the recent Senate hearings included a demand from John Brandt, president of the Land O' Lakes Creameries, for an increase in the taxes of margarine. "That," said Mr. Brandt, "is the only way to do the job."

I suggest that the job is already being done on the American people and the American economic system. It is not a pretty job. It smells to high heaven. As A. L. M. Wiggins, the Under Secretary of the Treasury, told the Finance Committee, these laws are not revenue laws or even regulatory laws. They are "punitive instruments."

This is the situation, then, beyond quibble or question. 62 years ago Congress passed legislation designed to protect one American industry at the expense of another—to give an advantage in the competitive market to butter over margarine. This punitive legislation has survived until today—penalizing one domestic industry for the benefit of another, one group of American farmers for the advantage of another, one group of consumers—the low income group—while another group—those who can afford butter—was left untouched.

I doubt that there is anything that Congress could do today more important than removing this odious precedent, this gross corruption of our basic principles, from our statute books. If this precedent were followed, cotton could with justification demand discriminatory taxes on rayon; leather could rightfully ask for punitive taxes on plastics; lard could justify a claim to similar protection from shortening, and so on, almost without end. If it were followed we would soon find ourselves back in the chaotic economy of the days of the Articles of Confederation or of some of the European states in more recent times. We would Balkanize our economic system.

Now, not next year, is the time to remove this dangerous precedent from our laws. This is primarily a question of principle and of our devotion to the ideals of government and economics to which we pay such constant lip service. The excuses that have been given for not acting now on this issue merely lend credence to the charge of insincerity. We can prove our sincerity only by repealing these laws.

I referred to the statement of the Under Secretary of the Treasury that the anti-

margarine laws were "punitive instruments." This, it appears, has been the view of the Treasury Department, which is charged with their enforcement, for many years.

Whom do they punish, Mr. President? They punish the 5,000,000 American farm people who grow cotton—and whose cottonseed is, in many cases, their only unmortgaged crop. The discriminatory burdens on margarine are burdens on these needy farmers and their families, for margarine is the largest and most favorable market for their cottonseed oil.

During 1947, 53 percent of all the fats and oils used in margarine came from cottonseed. Thirty-two percent, almost one-third of all the cottonseed oil produced, went into margarine. During the first 4 months of 1948 margarine has consumed approximately 40 percent of the available cottonseed oil.

No one can say how much more margarine would be sold or how much more cottonseed oil would be used by the margarine industry, if the antimargarine laws were repealed. But we can all agree that it would be considerable.

Every day, therefore, that we delay action on H. R. 2245 we deprive these needy people of their rightful access to a free market.

Who else is affected by these punitive laws? I think it would be far easier to say who is not—if there are any who have escaped? Certainly, the 600,000 farmers who grow soybeans—and their families—are directly harmed by the antimargarine laws. For margarine constitutes the second largest market for soybean oil. During 1947, according to official Government statistics, 37 percent of all fats and oils used in margarine came from soybeans. Soybean farmers and their families were able to buy more of the good things of life because this market existed in margarine but they were deprived of part of their rightful return from their crops by the discriminatory burdens imposed upon margarine by the Federal Government. How much more the margarine market would mean in cash income to these farmers if these burdens were removed is again a matter of conjecture, but we know that it would probably be significant.

These taxes and license fees imposed on margarine are particularly punitive with regard to wholesale and retail food dealers. Less than 1 retail food unit in 2 in this country handles any margarine at all and only 1 in 100 handles yellow margarine. The reason is simple: The retail dealer must pay an annual license fee of \$6 a year in order to sell uncolored margarine; if he sells yellow margarine he must pay \$48 a year. In addition, he must keep records and file reports and comply with various burdensome regulations on the handling and sale of the product—all under penalty of heavy fine or imprisonment for violations.

The burdens are multiplied for the wholesaler who handles margarine. He must pay an annual license fee of \$200 to sell the uncolored product; \$480, if he sells yellow margarine and there is a multitudinous list of regulations with which he must comply. Testimony before the Senate Finance Committee revealed that it costs the average wholesale establishment between \$60 and \$100 a month for clerical help alone to keep abreast of margarine law requirements. There are 11 separate reports which must be made every month by the wholesaler under oath. There are, in addition, seven separate records which must be kept available for inspection at all times. There is a fine of \$50 to \$500 or imprisonment for 30 days to 6 months for each violation of the requirements as to any of these 18 records and reports. The wonder is not that so few wholesalers handle margarine under these conditions but that any at all can be found to brave the mass of license fees, records, reports, and threatened penalties imposed for

the sole purpose of restricting, crippling, and punishing the margarine industry.

Who else is victimized by these "punitive instruments"—the antimargarine laws? The American people—or at least the 80 percent of them that, according to a recent survey, now use some margarine. Thirty million American families are consumers of margarine. Many of these are recent converts having abandoned butter when it skyrocketed in price. Some of them use only a little margarine. By far the largest consumption is by low-income people who cannot afford butter—even for special occasions. Since the taxes imposed upon margarine are inevitably passed on to consumers, their burden falls heaviest upon those who are least able to bear it. But the burden is not limited to the amount of the taxes and license fees. This is only a small part of it.

The contribution of the antimargarine laws to the high cost of living has been most damaging to the American people in their effect on competition within the industry. The taxes, license fees and regulations imposed on margarine have resulted in restricting its manufacture and distribution. They have discouraged the investment of new capital in the margarine industry and at every level, manufacturers, wholesalers, and retailers, they have restricted competition. Such restriction, of course, tends to keep prices higher. Again, it is the consumer—especially the low-income consumer—who pays.

Repeal of the antimargarine laws would, in the long run, increase competition within the margarine industry and would inevitably tend to bring about reduced prices to consumers.

But the burden on consumers is by no means wholly economic. The antimargarine taxes and license fees are levied on the health of the people, too. No one—unless he is completely blind to the truth—questions the nutritional values of margarine today. It is comparable in every way to high quality butter. The expert testimony from nutritional experts, medical groups, laboratory scientists, and others is overwhelming on this point. And yet the antimargarine laws prevent margarine from filling the table fat needs of the American people—needs which butter cannot fill. Twenty years ago, in 1927, the combined consumption of butter and margarine in the United States was 20.4 pounds per person. Last year it was 16.2 pounds per person, which means that on an average the American people got 4 pounds less table fat last year than in 1927. But even the 1927 level was low from a desirable nutritional standard. The Bureau of Human Nutrition and Home Economics recommended an annual per capita consumption of butter alone of 35 pounds as "an adequate diet at moderate cost." And yet, despite increasing margarine consumption in recent years, the table-fat deficit in the diet of the American people is rapidly growing. The reason is not hard to find. Butter production dropped nearly one-third between 1936 and 1946. Margarine, because of the restrictions imposed upon it by law, could not fill the gap. Yet the gap should be filled if we are to achieve our health goals as a people.

This Congress, if it adjourns without passing H. R. 2245, will be prolonging this nutritional deficit. It will be preventing the margarine industry from properly filling the vital health needs of millions of our people—especially among the low-income groups.

There are special groups of less fortunate people who are particularly affected by the antimargarine laws: the sick in hospitals, the aged in old-folks homes, the children in orphanages, and all others in institutions of this kind. The Federal antimargarine laws impose a tax of \$600 per year on restaurants, boarding houses, hospitals, and all other institutions, not publicly owned, which mix yellow coloring into margarine. Under

the law they are regarded as manufacturers. As a result, many of these institutions, operating on a limited budget in this inflationary period, have been serving bread dry or with an occasional bit of apple butter or jelly to sick and unfortunate people. Most of these institutions cannot afford to buy butter and, due to the Federal antimargarine laws, they do not buy margarine, either. It is understandable then why the American Hospital Association, representing 4,000 hospitals and 85 percent of the Nation's general-hospital beds, and the National Federation of Settlements, representing 211 settlement houses in 25 States, suggested repeal so strongly in testimony before the Senate Finance Committee.

Yes, the antimargarine laws are punitive laws—they punish the millions of American farmers in 44 States who grow the ingredients of margarine. They punish the hundreds of thousands of wholesale and retail merchants who either handle or would otherwise handle margarine. And they punish the American people who consume margarine—more than a hundred million of them—the sick and the well, the very old and the orphans.

I should like for the apologists for these laws and those who are demanding that Congress adjourn before it acts to repeal them to tell us just what crime any of these groups have committed to deserve the punishment of these punitive laws. I think we would discover that in this case, the punishment does not fit the crime or the perpetrators of the crime. For the guilty are not the cotton or soybean farmers or the distributors of margarine or the American people. The crime was committed by those who enacted this vicious, un-American legislation, and it is being committed today by those who seek to retain it.

Today the butter lobby and those who struggle to maintain the antimargarine laws have lost their best weapon—the lack of knowledge of the American people as to the issues involved. Since the Fiftieth Congress enacted the first antimargarine laws nearly a hundred bills have been introduced for their modification or repeal. Not one of those bills ever reached the floor of the House or Senate. For the most part the debate on the issue was restricted to the cloistered confines of committee rooms—and even there only a handful ever reached the hearing stage.

In 1917, in 1944, and again this year—margarine amendments were introduced in the Senate to the general revenue bills. I am proud that I had a part in those efforts in 1944 and March 1948. I introduced amendments on both occasions. I believe those earlier efforts paved the way for the progress we have made this session. The amendments were beaten chiefly, I think the record will show, not on their merits but because it was contended that they were not germane to the revenue bills. Of course, all of us who voted for those amendments would have preferred a clear-cut decision on the margarine issue without connecting it with the revenue bills, but we could not obtain consideration by the Senate of such bills. We still cannot obtain that consideration.

But one thing we have gained as a result of this year's campaign to repeal these laws. The debate in both House and Senate, the full hearings by committees, the hard-fought but sure progress of the repeal bill has been thoroughly publicized at every step by press and radio. The American people have learned the true facts for the first time about the antimargarine laws. Congress, too, has had a better opportunity to ascertain the merits of the case.

"Give the people light and they will find their own way"—the masthead of a great newspaper chain reads. The people have gotten the light at last on margarine, and so has Congress. The only problem is to persuade

Congress to find its way to repeal the antimargarine laws.

The results of this popular education must be dismaying to the butter lobby. They have lost the votes and they have lost the arguments. All that is left to them now is delay.

In conclusion, I want again to urge this Eightieth Congress to act now to repeal the Federal antimargarine laws. This is not a new issue. Margarine has been waiting for 62 years for justice. I cannot accept the idea that injustice must be endured longer simply because it is venerable. That is all the more reason to put an end to it as soon as possible.

Nor, as we have seen, is this a trivial issue. It strikes at the heart of our economic concepts and political principles.

And once again, I urge this Congress to finish its job before it quits. The American people have a right to expect that.

If we adjourn now, without acting on the bill to repeal the antimargarine laws, do not console yourselves with the delusion that the people will forget or will not care. Do not for a moment doubt that those thousands upon thousands of individuals who have written this Congress demanding repeal will be indifferent. The American housewife has a good memory and she knows what she wants—she wants this bill passed. And she wants it passed now. Nor will those newspaper editors—hundreds of them in every State in the Union—who have fought so earnestly for the repeal of the antimargarine laws let inaction on our part pass unnoticed. They will all remember what we do here now on this bill—and they will still remember in November.

Justice is never a small thing—never a thing that can be put off or delayed with impunity. It has been denied the margarine industry and those who grow the ingredients of margarine and consume margarine for more than half a century. I call on the leadership of the Senate to call up the bill to repeal the antimargarine laws—to call it up now—and to put an end once and for all time to this disgraceful blot on our legislative history.

LONG-RANGE AGRICULTURAL PROGRAM

The Senate resumed the consideration of the bill (S. 2318) to provide for a coordinated agricultural program.

Mr. MAYBANK. Mr. President, I am very happy to have this opportunity to address the Senate while the Senator from Minnesota [Mr. THYE] is in the chair and presiding, because the Senator from Minnesota was one of the members of the committee, together with my good friends the Senator from Vermont [Mr. AIKEN], the Senator from Louisiana [Mr. ELLENDER], and others, who chose Columbia, S. C., as the place at which to hold the cotton hearings. We were delighted to have the distinguished Senator from Vermont and the distinguished Senator from Minnesota, together with the other members of the committee, there with us last fall. I wish to state how grateful I was that the cotton hearings were held in my State, and that the witnesses from North Carolina, South Carolina, Georgia, and other States attended those hearings. I also wish to say that, as all of us know, the distinguished Senator from Minnesota [Mr. THYE], who now occupies the chair, well understood the views of the farmers and others in our section of the country in regard to the matters there under consideration, as did the Senator from Vermont [Mr. AIKEN].

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. EASTLAND. Does the distinguished Senator from South Carolina desire to have me suggest the absence of a quorum?

Mr. MAYBANK. No; in view of the limited time, I would not wish to have the Senator do so, although I appreciate his thoughtfulness. As the Senator knows, I have submitted for printing in the RECORD the speech I had intended to make.

Mr. EASTLAND. Mr. President, will the Senator yield further?

Mr. MAYBANK. I yield.

Mr. EASTLAND. I wish to say that the Senator from South Carolina is a very distinguished cotton expert, who, probably knows more about the cotton business and the problems of the cotton farmer than does any other Member of this body. I know the Senator will make a very able speech, and one which will be most informative, and one from which great value will come to the cotton growers of the country. So I hoped the distinguished Senator would permit me to have a quorum call, so that a large number of his colleagues could hear him speak.

Mr. MAYBANK. I thank the Senator; but in view of the limited time, although I appreciate the thoughtfulness of my distinguished friend, I shall proceed now.

Mr. President, I was raised with cotton. I have planted cotton; I have ginned cotton, I have exported cotton, as the Senator from Mississippi well knows; and I was a member of a firm that perhaps knows more about cotton than does anyone else in this city, including the Department of Agriculture, except Will Clayton, and he left yesterday.

Mr. EASTLAND. Mr. President, let me say that what the Senator has said is entirely true. Certainly the distinguished Senator from South Carolina has accomplished more for the cotton growers of his State and of the South than has any other person who has sat in the Senate. The Senator from South Carolina and the late Senator Bankhead are two of the ablest agricultural statesmen who ever sat in this body. The Senator from South Carolina has a very distinguished record, and I know that his service here has been of great benefit to the farmers of the South. I certainly congratulate him; and I shall stay here to hear his speech, because I know he will make a worth-while contribution to this discussion.

Mr. MAYBANK. Mr. President, let me say that the late Senator Bankhead and I for years served on the Banking and Currency Committee, and in those days we wrote many laws. I always admired and revered him. We talked together about many things. As the Senator from Mississippi has indicated, Senator Bankhead consulted me about some things.

Mr. President, I wish to discuss the cotton situation. I do not wish it thought for a moment that I am opposed to this agricultural bill because of cotton alone. I appreciate and understand what the distinguished Senator from Vermont went through in the course of the long hearings which were held throughout the

country last year, along with the distinguished Senator from Minnesota [Mr. THYE], who now occupies the chair, and the other members of the subcommittee. I am grateful for all they have done, and I appreciate it. I am not here to—perhaps I may say fly-blow any bill; that is not my purpose. However, in view of the fact that it is expected that the Congress will adjourn on Saturday, certainly there is in this bill too much that has not yet been considered—and certainly many parts of the bill should be thoroughly considered before allowing it to pass hastily.

I thoroughly agree with what my distinguished friend the Senator from Georgia said in his colloquy with the Senator from Minnesota [Mr. THYE], who now is presiding; he described the bill as a measure to reduce production. I really believe that. I do not know the wheat situation as the distinguished Presiding Officer knows it; I do not know the dairy situation as the distinguished Senator from Vermont knows it; but I do know the cotton situation.

I have great respect for the Secretary of Agriculture. He is a career man, having come up the hard way. He deserves full credit. However, if he approved the reduction in cotton parity from 90 to 75 percent, then he would approve wide-open gambling in the United States, and everybody running a gambling house ought to open a bucket shop at the crossroads in Carolina, Mississippi, Georgia, and Oklahoma.

Mr. President, there are more than 50 grades of cotton. There are more than 50 different staples. It is possible to have a surplus in one while having a deficit in the other. I know, of course, that parity is based on Middling fifteen-sixteenths Scotland. Everybody knows that, and everybody knows how parity is established. But the fluctuations between Middling inch, inch and a sixteenth, inch and a quarter, and what we call buzz-fuzz cotton, five-eighths or seven-eighths cotton, will bring only terrible headaches and problems that the Department of Agriculture could never solve. Cotton grading, cotton ginning, cotton stippling is an art for which the Department of Agriculture through its appropriations does not have sufficient money to employ adequate personnel.

The large firms in New York and New Orleans—I have no unkind remarks for them—estimate the cotton crop. Mr. President, do you know what is to be done under the pending bill? They estimate the cotton crop in August, September, and October, creating fluctuations in the market that keep the cotton world going round, that keep the market going up and down. Under the pending bill they would be in a position to make an estimate of surplus under the law that will change parity on cotton from 90 percent to 75 percent. In other words, the big firms in this country are being given the right under the law to say what the surplus of cotton may be or the surplus of wheat or any other commodity. Mr. President, you know more about wheat than I do. I know cotton. I was raised with cotton.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. RUSSELL. I am listening with great attention, as I always do when the distinguished Senator from South Carolina addresses himself to any agricultural question, particularly as it pertains to any phase of cotton from the time it is planted, through every stage of its development, the ginning, the marketing, the milling, and the exporting, because, as the Senator says, he has spent his life in that business.

Mr. MAYBANK. That is all I have ever done.

Mr. RUSSELL. The Senator is recognized here as being probably the greatest expert in the Congress for many years on that question. The Senator must know that if the bill will affect the speculation and the estimates to which he refers, with respect to cotton, with which he is so familiar, its effect will also be felt on other commodities.

Mr. MAYBANK. I certainly agree.

Mr. RUSSELL. They are all handled in a similar way.

Mr. MAYBANK. That is correct.

Mr. RUSSELL. While the Senator is an expert on cotton and is more intimately informed as to it, his experience with cotton would be very helpful in arriving at a firm conclusion as to the effect it would have on other commodities of other farmers.

Mr. MAYBANK. I appreciate the kind remarks of the distinguished Senator from Georgia. Having planted cotton, having grown it, having financed the growing of it, having bought and sold cotton, and having been also, as the Senator knows, before coming to the Senate, a cotton broker, I know what the bill would do. It would open the door wide between 75 percent and 90 percent. Who is to determine the surplus? The Department of Agriculture? Certainly. They make the crop estimates on wheat, corn, cotton, and other commodities, but the private firms in New York, New Orleans and Chicago—with due respect and appreciation of those cities—make the estimates, and the boys at the cross roads go down to the bucket shop and come out with empty pockets. The poor farmer is taken for a ride.

I have been in the Senate since 1941. I was on the committee which considered the commodity credit bill. I was on the subcommittee of the Committee on Banking and Currency with the late John Bankhead. I knew the Steagall-Bankhead group, I worked with them. I say, Mr. President, we have done pretty well. Through the Commodity Credit Corporation we have made, to this time, about \$200,000,000 on commodities. Of course, the war came along. But do you realize, Mr. President, that in 1941, 1942, 1943 and 1944 even with the war, cotton was below parity?

I may be talking too much about cotton. I realize one should not be sectional.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. EASTLAND. As a matter of principle, if a farmer is entitled to 75 percent of parity, why is he not entitled to 90 percent? If it is right to give him 75 percent, if we are going into that field, why do we not remove all discrimination against him and place him on an equal basis?

Mr. MAYBANK. The Senator from Mississippi is eminently correct. I voted for 95-percent parity, as did the Senator, when former Senator Bankhead brought the bill in here, which was, if I remember right, in 1943.

Mr. EASTLAND. I was one of the authors of the bill.

Mr. MAYBANK. So was I. We joined in sponsoring the bill. If the farmer is entitled to 75 percent, he is entitled to 90. But, Mr. President, the gamblers will be operating between the 75 percent and the 90 percent.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. Let me finish this sentence please. It opens up the cotton market and also the wheat markets to the gamblers as they were opened up to the gamblers in the twenties.

I saw it. I yield to the Senator from Mississippi.

Mr. EASTLAND. A Democratic administration has given the farmers, on basic commodities, a support price of 90 percent parity. Now we are facing a Republican Congress with their age-old animosity and prejudice against the man who tills the soil for a living.

Mr. MAYBANK. That is correct.

Mr. EASTLAND. We see that here the farmer is being taken for a ride. In an election year, his support price is reduced.

Mr. MAYBANK. Of course, it will be reduced. The price of wheat, corn, cotton, and everything else will be reduced.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Mississippi.

Mr. EASTLAND. The argument is made for the passage of the Aiken bill now, that if we wait it might not be passed, the farmer might not get anything next year, and that in all probability there will be a Republican Congress, a stronger Republican Congress than the present one, and as a result, the whole program will expire and the farmer will get no support price. So we are rushing to give him a half loaf at this time.

Mr. MAYBANK. Mr. President, if the farmer receives no support price, the city dwellers will receive no support; and the farmers support the city dwellers.

Mr. EASTLAND. The facts are as shown by this bill, that the Republican Party is against the farmers. It is for big business, Wall Street, and great monopolies.

Mr. MAYBANK. That is correct.

Mr. EASTLAND. The Senator knows that for 2 years we have been supporting only legislation that would benefit big business, and that the man in overalls, in the shop and on the farms, can get no consideration from this Congress, or from a Government controlled by the party which dominates this Congress.

Mr. MAYBANK. Certainly the one- and two-gallus boys are left at the crossroads. As the Senator from Mississippi well knows, we can see them picking cotton until Christmas time, in order to get what? To get a stick of candy from the corner store.

Mr. EASTLAND. Does the Senator from South Carolina think we are headed back now, drifting back into economic and political isolation, as we did after the First World War, and that we are confronted with another Republican administration similar to that of Warren G. Harding? Are we not going back to 25-cent cotton and 25-cent wheat, and will not those policies give communism the greatest boost it can receive?

Mr. MAYBANK. I cannot deny the argument of the Senator from Mississippi. If we pass this bill and reduce the cotton farmer's parity from 90 to 75 percent, we are taking 15 percent of his income, which is low enough as it is, in Alabama, North Carolina, South Carolina, Mississippi, and Arkansas. The cotton farmer buys the bread and manufactured goods; he works from sunup to sundown and spends his money. When we injure the cotton farmer, we injure the wheat farmer and the corn farmer.

Mr. EASTLAND. The Senator overlooks this fact, that we have in this country persons of great wealth, who do not have their wealth invested in commodities or in property, but who keep it in cash in order to loan it. Therefore they want low prices, so that their money will be more valuable. That is the group of persons who control the Republican Party.

Mr. MAYBANK. Certainly. The Senator from Mississippi is correct. I can go into any bank in Mississippi, North Carolina, or South Carolina and borrow 90 percent on a cotton-warehouse receipt.

Mr. EASTLAND. The Senator is correct.

Mr. MAYBANK. We are turning the situation over to the private bankers.

Mr. EASTLAND. This bill will reduce the support prices which a Democratic Administration has given to agriculture to pull it out of the hole. We are getting right back to the days when the county newspapers in Iowa and the Midwest were filled with notices of sales of farms through foreclosure of mortgages.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. THYE: I should like to ask the Senator a question—

Mr. MAYBANK. May I make one remark before the Senator asks his question? I am appreciative of the Senator's being here. I was happy that he was able to accompany my distinguished friend, the Senator from Vermont [Mr. Aiken], to South Carolina to attend the hearing, at which everyone was in favor of 90 percent parity.

I yield to the Senator from Minnesota.

Mr. THYE. I should like to ask the Senator from South Carolina and also the Senator from Mississippi what amendment is being discussed by them?

Mr. EASTLAND. The Russell amendment.

Mr. THYE. I did not understand that.

Mr. MAYBANK. I am sorry the Senator did not understand that.

Mr. EASTLAND. The Senator from Minnesota did not want to hear the record of his own party. I see that he is fleeing from the Senate Chamber.

Mr. MAYBANK. Mr. President, I want to repeat that commodity credit under the Bankhead-Steagall bill, which was not passed by the Committee on Agriculture and Forestry, but by the Committee on Banking and Currency, saved more than \$200,000,000 for the taxpayers. Many expenses were paid outside of that sum. The profits in cotton alone were more than \$100,000,000. Had it not been for 90 percent of parity, and had it not been for the production of cotton, General MacArthur's success would not have been as great as it was. I think the Senator from Mississippi will agree with me in that statement.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. EASTLAND. In all seriousness, I should like to make this statement to the distinguished Senator from South Carolina. The solution of the farm problem is in taking down trade barriers and expanding world commerce. There are today millions of hungry people. There are millions of ill-clad people. Those people are willing and able to work and produce the wealth needed in the United States if we would remove the barriers of trade so that they could buy the surplus production of the United States.

Mr. President, that would be the greatest contribution to world prosperity that could possibly occur.

Mr. MAYBANK. I agree with the Senator.

Mr. EASTLAND. But instead of following such a program, we are following a program of acreage-reduction, a program to shut off the production of wealth and, in the last analysis, to spread poverty over the world. Consider the case of Japan. There is a little group of islands in the Pacific Ocean, approximately the size of the State of Montana. Only one-seventh of the area is suitable for cultivation. Seventy-seven million persons live there, under the Japanese flag, without resources. The only chance they have to live is to be able to buy raw materials in the markets of the world, process them in Japan, sell the products thus produced in world markets, and live off the profit that is acquired.

Mr. MAYBANK. They could sell the products to countries in the Pacific, such as Java, Indonesia, and other countries.

Mr. EASTLAND. In other words, they could live from their labor.

Mr. MAYBANK. That is correct.

Mr. EASTLAND. If we do not reduce trade barriers and take goods from Japan, what will Japan do? There is only one thing she can do, and that is to affiliate herself with the nations under the hammer and sickle.

The PRESIDING OFFICER. The Senator from South Carolina has 2 minutes remaining.

Mr. MAYBANK. Mr. President, I should like to say to my friend from Mississippi that we must remove the trade barriers. I do not think it is necessary

for Japan to ship anything to this country, under the rule of the Army government. The Senator from Mississippi and I agree that the Japanese should be benefited and helped by this country, so that Japan might, in turn, trade with the Orient, with the Dutch, French, and other colonies. As a matter of fact, Java was the largest purchaser of Japanese textiles before the war. There are 50,000,000 people there. I do not think it is necessary to bring any textiles into the United States, because we have more than we need at the present time.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. EASTLAND. I am a cotton grower, but I think we should look beyond self-interest and what will benefit our own people and our own sections. We should look to the welfare of this Nation.

Mr. MAYBANK. Mr. President, I ask unanimous consent that I may have 1 minute. I appreciate what the Senator from Mississippi says, and I feel as he does. I know as well as he does that prior to the war the Japanese were the second largest purchasers of American cotton. In a short period of time they

were the largest purchasers, and they helped the farmers by purchasing their cotton.

I yield the floor, Mr. President.

Mr. AIKEN. Mr. President, I yield 10 minutes to the Senator from Delaware [Mr. WILLIAMS].

The PRESIDING OFFICER. The Senator from Delaware is recognized for 10 minutes.

Mr. WILLIAMS. Mr. President, first I send to the desk an amendment to the substitute bill offered by the Senator from Georgia [Mr. RUSSELL]. This amendment reduces to 1 year the proposed extension of the farm support program.

The PRESIDING OFFICER. The amendment will be received and will lie on the table.

Mr. WILLIAMS. Mr. President, one of the most unpopular things to discuss when a program of this character is before the Senate is how much it will cost the taxpayer. It is impossible to estimate what the pending bill will cost, so I am going to review the costs for the past few years during which a similar program has been in operation.

We find that in recent years, under a similar program, the Government has spent, in the support of American agriculture, \$8,573,600,000 for the improvement of soil, soil conservation, triple A payments and other programs. All of this was spent apparently for the purposes of increasing production on the farms.

I ask unanimous consent to have inserted in the RECORD as a part of my remarks a chart showing how this money was distributed during recent years.

Mr. President, during the same years in which the Government was spending this \$8,500,000,000 to increase the production on the farms, we find that the Government at the same time spent \$2,080,300,000 to dispose of surplus agricultural products. In other words, in a support program, to make agriculture more profitable, during this period, the Government spent \$2,080,300,000. I have a breakdown of that in the chart, which I ask unanimous consent to have inserted at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

CHART No. 1.—Detailed break-down of totals shown under the headings "Agricultural adjustment, soil and water conservation, and related programs" and "Diversion, distribution, and consumption of agricultural commodities"

[NOTE.—Amounts for years 1932 to 1948 adjusted for comparability with the appropriation structure in the 1949 budget estimates]

[Amounts in millions of dollars]

	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	Grand total
Conservation and use of agricultural land resources.....						469.0	429.1	494.9	555.1	461.3	494.6	444.5	400.0	302.5	355.7	314.2	223.0	4,948.9
Parity payments.....								212.0	225.0	211.7	211.7	5.4	170.3					1,036.1
Payments for agricultural adjustment.....					295.2													295.2
Agricultural adjustment program financed from advances on account of processing taxes (sec. 12 (b), act of May 12, 1933).....			428.6	641.5	165.7													1,235.8
Salaries and expenses, Agricultural Adjustment Administration (sec. 12 (a), act of May 12, 1933).....		100.0																100.0
Sugar Act.....							40.0	54.4	47.9	47.9	47.9	47.4	63.9	52.5	48.4	53.5	55.0	553.8
Soil erosion control program (SCS).....	0.4	0.4	0.3	0.3	6.3	22.6	22.1	21.3	21.3	18.6	25.4	23.8	23.8	29.6	34.5	44.7	39.0	334.4
Land utilization program (title III, Farm Tenant Act).....							9.6	12.0	6.3	2.4	2.7	1.5	1.3	1.3	1.2	1.6	1.6	41.5
Payments to counties from submarginal land program (permanent).....																0.2	0.2	.4
Water conservation and utilization projects (Wheeler-Case Act).....															1.2	0.7	3.0	3.9
Flood control.....							0.5	7.0	3.0	2.0	1.0					2.1		18.6
Total agricultural adjustment, soil and water conservation and related programs.....	0.4	100.4	428.9	641.8	467.2	491.6	501.3	801.6	858.6	744.4	784.8	522.6	659.3	385.9	441.0	417.0	326.8	8,573.6
Exportation and domestic consumption of agricultural commodities (sec. 32, act of Aug. 24, 1935) (permanent, annual, and reappropriations).....					92.1	109.1	125.1	144.0	205.5	235.5	222.5	175.3	97.1	119.3	114.3	100.5	44.0	1,784.3
National school-lunch program:																		
Direct appropriation.....																6.0		6.0
Expended from sec. 32 funds.....									[12.4]	[15.3]	[23.1]	[15.3]	[50.0]	[57.5]	[57.5]	75.0	65.0	140.0
Removal of surplus cattle and dairy products, act of May 25, 1934 (Jones-Connally Act).....				150.0														150.0
Total diversion, distribution, and consumption of agricultural commodities.....				150.0	92.1	109.1	125.1	144.0	205.5	235.5	222.5	175.3	97.1	119.3	114.3	181.5	109.0	2,080.3

Mr. WILLIAMS. Mr. President, here we have a situation where the Government was spending \$8,500,000,000 to increase production and an additional \$2,000,000,000 to hold the prices of agri-

cultural commodities up, I find that another Government agency spent \$5,519,301,617 in subsidies to hold the prices of agricultural products down. I ask unanimous consent to have the chart showing

these figures inserted in the RECORD at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Direct subsidies paid by the Federal Government of the United States, 1937-47: Selected data

[See attached explanatory note]

Program	Paying agency	Why subsidized	How subsidized	Paid to—	Total cost to June 30, 1947
Beef production.....	CCC.....	To encourage feeding of cattle to heavier weights.	Payment on live weight sold for slaughter of cattle meeting certain requirements as to minimum weight, minimum sale price, and minimum duration of feeding.	Feeder.....	\$36,904,458
Beans, dry edible.....	do.....	To permit increased grower returns.....	Payment at specified rates per hundredweight of cleaned beans.	Dealer.....	12,965,533
Cheese, Cheddar.....	do.....	To offset cost increases and to encourage greater production.	Purchase and resale at a loss of 3¾ cents per pound.	Manufacturer.....	67,634,784
Corn ceiling price adjustment.	do.....	To induce movement of corn from corn producing areas to the East and Southeast.	Payment of 5 cents per bushel to sellers of yellow corn who sell in earload lots to feeders or feed producers in the East and Southeast.	Corn seller.....	1,535,679
Dairy production.....	do.....	To increase producer returns, thus offsetting increased costs and encouraging greater production.	Payment on deliveries of whole milk and butterfat, differentiated seasonally and, in addition, regionally for whole milk.	Dairy farmer.....	1,206,243,457
Flaxseed.....	do.....	To enable flaxseed importers to use domestic flaxseed and pay support prices for it.	Reimbursement of processors for part of the increased costs.	Processor.....	393,704
Fruits for processing.....	do.....	To permit increased grower returns and offset increases in processing costs.	Purchase of fruit and resale of civilian quantities at a loss.	Packer.....	74,768,896
Milk, fluid.....	do.....	To permit an increase in producer returns and encourage production.	Purchase and resale arrangement on all fluid milk.	Handler.....	38,126,088
Peanut butter.....	do.....	To roll back retail prices to September 1942 level.	Payment of 4.5 cents per pound to manufacturer.	Manufacturer.....	19,557,588
Peanuts.....	do.....	To maintain adequate production at prices in line with other edible oil sources.	Purchase of peanuts and resale to crushers at a loss.	Crushers and shellers.....	6,205,449
Shortening.....	do.....	To roll back prices of vegetable shortening.	Payment of 0.4 cent per pound of vegetable oil in standard shortening and 0.2 cent per pound of hydrogenated vegetable shortening.	Manufacturer.....	1,916,284
Soybeans.....	do.....	To permit increased grower returns and encourage production of oil.	Purchase of soybeans at support prices and resale at a loss to processors at differentiated prices based on processor efficiency.	Processor.....	99,012,027
Sheep and lamb production.	do.....	To encourage feeding of lambs to heavier weights and to increase returns to producers.	Payment on live weight sold for slaughter, varying seasonally and by weight classes for lambs. Flat rate per hundredweight on sheep regardless of season or weight class.	Owner at time of sale to slaughterer.	43,238,152
Sugar.....	do.....	To permit increased grower returns, offset increased shipping, handling, and processing costs, and generally to encourage maximum production.	Purchase of Puerto Rican and Cuban sugar and resale at a loss (or without payment of normal import duty). Direct payments to growers and importers of Hawaiian sugar. Payments, through the processors, to growers of domestic beet and cane. Payments to all processors of sugar beets to offset increased costs, and to marginal processors to cover deficits.	Various levels.....	118,119,168
Vegetables for processing.....	do.....	To permit increased grower returns and offset increases in canning costs.	Payment at specified rates per dozen cans of major products.	Canners.....	86,369,626
Vegetables, frozen.....	do.....	To permit increased grower returns and offset increases in processing costs.	Payment at specified rates for frozen peas, corn, and snap beans.	Processor.....	3,660,216
Wheat for feed.....	do.....	To permit utilization of wheat for feed primarily for dairy cattle in certain feed-shortage areas.	Wheat for feed is sold at feed value equality with corn.	Feeder or feed supplier.	238,412,310
Livestock.....	RFC.....	To roll back retail meat prices to September 1942 levels, and to permit increased returns to livestock producers.	Payment on live weight slaughtered differentiated by kinds of animals, and in the case of beef grades. Deductions made in beef subsidy by the amounts individual slaughterer's live cattle costs in any given month fall below or exceed costs based on "stabilization range" prices.	Slaughterer.....	1,547,148,000
Flour.....	do.....	To permit increased grower prices, in accordance with minimum legal requirements.	Payment equal to difference in any given month between average actual wheat costs paid by the industry and the average price of wheat reflected by the flour ceiling.	Millers.....	348,431,000
Butter.....	do.....	To roll back prices to September 1942 levels.	5 cents per pound payment to creameries.....	Creameries.....	181,618,000
Copper, lead and zinc.....	do.....	To obtain high-cost output of copper, lead, and zinc without raising ceiling prices on the major part of the output.	Premium prices paid for production above quotas.	Producers.....	349,970,000
Petroleum transportation compensatory adjustments.	do.....	To maintain a steady and adequate flow of petroleum and petroleum products to the Atlantic coast area (requiring substitutes for normal tanker transportation) without exceeding existing price ceilings.	Compensation to petroleum companies for extra transportation costs.	Oil companies.....	353,232,000
Maritime operating subsidy.	Maritime Commission.	To compensate United States lines for higher operating costs as compared to foreign lines.	Payments based on differential between foreign and domestic operating costs.	Steamship lines.....	49,288,198
Construction differential subsidy.	do.....	To compensate for the difference between United States and foreign shipyards in construction costs.	Payments to ship owners based on difference in construction costs between United States and foreign shipyards.	Shipowners.....	254,363,000
Apple freight equalization.	CCC.....				3,229,718
Barley for feed.....	do.....				6,994
Cocoa.....	do.....				101,939
Coffee.....	do.....				7,217,528
Corn for alcohol.....	do.....				4,400,000
Corn purchase and shelling.	do.....				3,619,664
Corn importation.....	do.....				2,105,372
Hay for dairymen.....	do.....				2,498,942
Milfeed price support.	do.....				138,118
Vegetable oils and meals.	do.....				6,903,824
Pear freight equalization.	do.....				142,237
Phosphate fertilizer.....	do.....				89,344
Pork purchase.....	do.....				330
Wheat for alcohol.....	do.....				22,700,000
Coffee.....	RFC.....				51,849,000
Miscellaneous RFC subsidies, largely transportation.	do.....				275,185,000
Total.....					5,519,301,617

Mr. WILLIAMS. Mr. President, most of this \$5,500,000,000 was spent to hold down the prices of agricultural commodities. There are included in it some subsidy payments which were made to support other industries, but over \$4,500,000,000 was spent to hold down the cost of agricultural commodities to the consumer during the period in which the Government was spending through another agency over \$2,000,000,000 to hold the prices of the same commodities up.

Another thing that is misleading about this proposal is the argument that if Congress does not pass some kind of an extension measure at this time the farmers are left without any suitable agricultural program. That argument is not true, because in the event no agricultural program shall be passed, there will still be left on the statute books the same programs which were in effect prior to the war; in other words, the Triple A Act will still be in effect, as passed in 1938; the soil-conservation programs will continue; the law which authorized expenditures of section 32 funds—customs receipts—for the support of agricultural products will remain in effect; and when the European recovery program measure was passed, under section 11A we authorized an additional subsidy on agricultural commodities, and that will be in effect for the duration of our foreign-aid program. All of them without any further action whatever on the part of the Congress at this time will remain in effect. Therefore, when it is said that failure of the Congress to act will leave the farmers without any agricultural relief it is without foundation.

The program which we are asked to extend now is the same as that which was passed by Congress in 1941, at the beginning of the war, as a wartime measure; at that time Congress stated that that measure was to last 1 year after the war ended. As we know, the President of the United States did not declare hostilities over until December 31, 1946. Therefore this program would run for two more years, to give the farmers a chance to adjust themselves, until the end of this year, 1948. In other words, the program dying this year is a program which every farmer in the United States knew was supposed to die 2 years after the war ended, so there was no reversal of policy on the part of Congress.

I believe Congress should adopt a long-range farm program. It would be folly for us ever to place ourselves in a position where we could revert back to the wholesale bankruptcies of farmers similar to what happened in the thirties, but I think it is equally as bad for the farmer to pass legislation which is economically unsound and in the long run will do him more harm than good. The program which is set up under this bill actually guarantees a margin over cost of production thereby encouraging unbalanced production which will inevitably lead to economic collapse. By using the formula under the Aiken bill we find that despite all the confusion of defining parity—a clear definition of which no one can give—after it is all summed up it boils down to the fact that the

final answer on the parity price is 150 percent of the last 10-year average.

In other words, if we take the sales price which the farmer has been getting for any farm product for the last 10 years, and add 50 percent to it, we have the parity of that product as defined in the bill. If we take all the farm products and figure them on that basis, we will come within 1 percent of the same result as the committee formula. Therefore, when it is proposed that we support cotton or tobacco or any other commodity at 90 percent of parity what is proposed in effect is that we guarantee to the farmers a support price of that product equal to 35 of more than the average price of that commodity for the past 10 years.

I say that is economically unsound. If the support price is 75 percent of parity, which is claimed to be the average, we will still be supporting that agricultural product at 12½ percent more than the average market price for the same product during the past 10 years.

The lowest provision in the formula of this bill is that it can go down to 60 percent of parity. In that event we will then be guaranteeing to the farmers 90 percent of the average price they received for that product during the past 10 years, and under no circumstances, if this bill shall be passed, can the support price drop below that figure.

I have heard of many Senators worrying about the cost of living, yet under this bill the support price of beef will be raised 20 percent above the previous support price. Milk will be raised about 4 percent. Cottonseed will be raised \$10 a ton. We are only kidding ourselves when we say that the passage of this bill will not have the effect of increasing the cost of living to consumers.

Mr. President, I think the best thing Congress can do, in view of the fact that we are in the closing days of the session, and do not have time to work out a sound program, is to defeat this measure. It is my considered opinion that a farm-support program should never exceed the cost of production. To enact a law which in effect guarantees a margin of profit encourages overproduction and necessitates a continuation of the ridiculous practice of a Government agency actually destroying edible foods in order to stabilize markets.

Furthermore, the enactment of this legislation means the regimentation of the American farms. This is inevitable because of the production and marketing controls required under this planned agricultural program.

Under this bill our farm program can be planned and directed from the minute details of acreage planted and the kind of products and livestock production that farmers can legally produce by a Government agency which will be manned by men who have never operated a farm but learned their farming out of books.

This is not in accordance with our free-enterprise system, and I believe our American farmer would rather retain his freedom and independence.

Mr. LUCAS. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from Georgia [Mr. RUSSELL]. In the course of the few

remarks I shall make in opposition to the amendment, I propose also to discuss some of the major objectives of the so-called long-range agricultural program.

The Senator from Illinois has reached a very definite and firm conviction that the time has come when the Congress of the United States must enact a farm program which is permanent and stable. We have been operating under the so-called Steagall amendments, which placed support prices under basic and nonbasic products just prior to the time the United States entered into the war. It was primarily a war measure designed to accomplish an enormous production of basic and nonbasic commodities which were essential to the winning of the war. No one can deny that that legislation, which was passed under a Democratic administration, at that time stimulated production and did achieve the objective for which the legislation was enacted.

It is no trick to receive high prices for everything that is produced in the United States in a great emergency. The trouble with a great many people, when thinking of a farm program, is that they forget what has happened to the farmers of this country in the past as a result of huge surpluses of commodities that were piled high and dry in every section of the country with no outlet for those commodities.

The basic reason for the enactment of the Agricultural Adjustment Act in 1935 was the enormous surpluses that we produced in 1931, 1932, and 1933, with no possible chance of disposing of those surplus products at a decent price. The program under which we are operating at the present time has not resulted in the loss of any money. The able Senator from Georgia [Mr. RUSSELL] said this afternoon that the Commodity Credit Corporation can show a profit of around some \$200,000,000 on the over-all transactions that we conducted under the operation of the present program.

What I object to in the substitute amendment offered by the able Senator from Georgia is that it seeks to continue to place a support price under certain nonbasic commodities regardless of the amount of surplus that may be produced in the United States. I am thinking about eggs and potatoes; I am thinking about raisins and prunes; I am thinking about citrus fruits and other nonbasic commodities under which, in my opinion, the farm program at the present time cannot justify its activities. It is true that we have lost only a small amount of money compared to the entire investment as a result of this type of support. But I know, and Senators know, and the country knows the sorry spectacle that was presented with respect to potatoes and eggs. That subject has been discussed on the floor of the Senate many times. The average individual who would be compelled to support the farm program cannot understand why we have to do what we are asked to do with respect to some of these nonbasic commodities.

As I said this afternoon, in order to support a farm program we must have the confidence of the taxpayers of America. Every new spectacle of the kind we

have seen in the past has a tendency to defeat the great basic purpose of the farm program which takes care of so many commodities in the United States.

Furthermore, if we continue to guarantee a support price of 90 percent upon nonbasic commodities, I undertake to say that with all the modern machinery we have, with all the farm equipment we have, with all the scientific discoveries that are being made in America at the present time, the time will come when we will have a surplus in many of these basic commodities of which we may not be able to make proper disposition. When that time comes, if it should come, and we have a support price of 90 percent on everything, there is not going to be enough money in the Treasury to pay off, Mr. President.

I am attempting in my limited way to look far ahead respecting this program, and the farmers in my section of the country are looking at this program with vision. They are not stationary out there; they are attempting to look on into the future and to see what may happen to them in five or six or seven years from now. If we obtain a permanent, stable farm program on a basis of parity of from 60 to 90 percent, depending upon the crop produced and the carry-over, we will not have any trouble in sustaining a farm program so far as the American people are concerned. On the basic commodities we can, under the law, have quotas and acreage allotments, and in that way control, if necessary, these surpluses, but on the nonbasic commodities there is no control. That is where we shall ultimately get into trouble so far as the expenditure of money is concerned.

The committee worked hard and long on the bill. For years we have been talking about a long-range program. I regret that this bill has not come before the Senate until the last days of the Congress. It certainly has not been the fault of the able Senator from Vermont and his committee, because they have tried hard to get the bill before the Senate so that Members of the Senate might discuss it at length and understand it.

I am satisfied that members of the Agriculture Committee of the House of Representatives are just as familiar with the provisions of this bill as are members of the Senate committee. If this bill can be passed by the Senate tonight and sent to the House of Representatives, I am satisfied that we can get a long-range farm program before this session ends. This Congress should not adjourn, and the farmers of the Midwest are expecting that it will not adjourn, until they get the kind of a farm program that has been laid down in the bill.

The bill is supported by the American Farm Bureau Federation, the Farmers' Union, the Grange, and other leading agricultural organizations. While perhaps they have not agreed on all the details with respect to the reorganization plan under title I and title II, so far as the parity formula and the support prices are concerned, that question has been gone over in detail with the leading agricultural men of the country, and they all agree upon the parity formula which has been laid down in the bill.

Mr. President, time moves on. Nothing in this world is static. Unless Members of Congress move with the times in connection with parity, they are not doing their duty, as I see it. The parity formula of 1909 to 1914 is outmoded, and all the experts agree that it is. What we are trying to do is to have a 10-year moving average for the parity formula which will keep us up to date all the time, because as 1948 moves on and out of the picture so far as activity is concerned, the 10-year moving average takes in 1949. That is the only way we can keep the formula up to date.

In order to do that the farmers of the Midwest were willing to make a tremendous sacrifice. My dear friend from South Carolina [Mr. MAYBANK] talks about the cotton farmers being robbed under this bill. The cotton farmers do not lose anything under this bill compared with what the wheat farmers and corn farmers in my section of the country are losing so far as the question of parity is concerned.

We have taken care of that loss in the bill by providing that the decrease may amount to not more than 5 percent each year. It will require wheat producers 4 or 5 years, and corn producers 2 or 3 years finally to get down to parity under the bill.

Notwithstanding that, we are willing to go along. We know that the dairymen, the poultry raiser, the cattle raiser, and the hog raiser get a better deal. We know that the man who raises peanuts gets a better deal. Other basic and nonbasic commodities—especially nonbasic commodities—are helped as a result of this parity formula. The only thing it does is simply to change the time. The factors and equations, and all the other elements in the present parity formula, remain just the same.

The amendment offered by the Senator from Georgia [Mr. RUSSELL] should be defeated. The Senate should pass the long-range bill tonight and send it to the House. I am satisfied that if Members of the House of Representatives are responsive to the demands of American farmers they will pass a long-range farm program on all fours with what we find in Senate bill 2318.

In conclusion let me say that when this bill goes to the other side of the Capitol and conferees are appointed, I want the Senator from Vermont to understand that the amendment which we adopted this afternoon should be taken out of the bill. We cannot leave that amendment in the bill without giving the tobacco growers preferential treatment. There is no good reason why one group of commodity producers should receive a guaranty of 90 percent of parity, leaving producers of 127 or 128 other basic and nonbasic commodities on a basis of 60 to 90 percent. It is not fair. It is not right. If the bill should come back with that provision in it, the Senator from Illinois could not support the bill.

Mr. President, that is about all I have to say upon this important measure. During all the time I have been in the Congress, approximately 13 years in the House and in the Senate, I have been on the Agriculture Committee. I happen to own farm lands on the prairies of

Illinois. I know something about the agricultural program and the problems we are up against.

My prayer is that as long as we are a nation we shall never be confronted with what we faced back in 1931, 1932, and 1933. Those were the darkest days in the history of agriculture in all our time as a nation. We have come a long way since that dark hour by reason of constructive and objective legislation. But we are now acting for the moment. We are on a temporary basis; and the sooner the Congress of the United States can get away from this temporary program the better off we shall all be.

It seems all right for the moment to say, "For one more year I am going to get 90 percent of parity on everything I produce. I am not willing to take a chance on a flexible formula over a long period of years. I am going to get my pound of flesh just as long as I can." I sincerely and earnestly fear that the time will come when that kind of a program will fall of its own weight and break down to the point where the American people will not support any farm program at all. I hope the time will never come when there is dissatisfaction to the point where the people of the country will not support a program which is meaningless and futile so far as protecting the American farmer is concerned.

Mr. President, I yield the floor.

Mr. AIKEN. Mr. President, there is half an hour left. I do not know whether the Senator from Minnesota [Mr. THYE] or the Senator from North Dakota [Mr. YOUNG] wish to be heard.

The PRESIDING OFFICER. The Senator from Vermont has 15 minutes. The Senator from Georgia [Mr. RUSSELL] has 15 minutes.

Mr. AIKEN. Mr. President, there is very little that I can add to the very clear reasons given by the Senator from Illinois [Mr. LUCAS] for adopting a long range program now and not being content with a stop-gap affair which gives a high level of support to a few commodities. I agree with the Senator from Illinois that if we continue the high level of 90-percent support, which will cost our Government a large amount of money to maintain, the time will not be far distant when the American people will rise up and say they will no longer have any farm price-support program. In my opinion, that would be a catastrophe, because, above all things, we must continue to maintain the production of farm commodities. It is true that probably there will be some surpluses of certain commodities within the next few years; but in the over-all picture we must maintain an adequate production of food and fiber, sufficient to enable our industries to carry on and to supply the consumers of the United States with the commodities they need, at reasonable prices.

The proposal to have a long-range program should not be mistaken as being a proposal to have a grab bag. It should not be mistaken as an attempt to see how much we can get in a short time for the producers of certain commodities. So I think it most unfortunate that the amendment relative to tobacco was adopted today.

Other than that, Mr. President, all I have to say is that at this time, when there are relatively few surpluses in the commodity field, we should develop this long-range program, so that our farmers will be assured that if in the future they produce enough to meet the needs of the country they will not be faced with ruin and bankruptcy, if at some time they happen to produce a little more than is needed. I think the time to develop such a program is now, so that the plan will be ready when needed.

Mr. President, before closing my remarks, I wish to say a few words about the subcommittee which developed the bill which now is before the Senate. I have said before, and I repeat, that I never worked with a more cooperative body of men than the members of the subcommittee and other members of the full committee who helped to develop this plan. The members of the subcommittee were the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Iowa [Mr. WILSON], the Senator from Minnesota [Mr. THYE], the Senator from Oklahoma [Mr. THOMAS], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Illinois [Mr. LUCAS]. Let me say that all of us worked together. We met with the farm people of the United States. We think we know what the farm people want in the way of a farm program. They are not unreasonable. With few exceptions, they are not asking for more than they are entitled to. They are not asking for cost-plus or even for a guaranty of receiving cost. They ask for a floor which will protect them from ruin if they produce enough to meet the needs of the country.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LUCAS. I am sure the Senator from Vermont will agree with me that wherever we went in holding those hearings, the farmers themselves, almost to a man, showed that they understood the farm program almost as well as any member of the subcommittee did. In other words, it was amazing, to me, to discover the number of farmers who are wide awake and know exactly what is going on here in Congress with respect to agricultural legislation.

Mr. AIKEN. The Senator from Illinois never spoke truer words than those. All over the United States the farm people know what is going on. They know farm problems and they know what is needed to maintain a prosperous agriculture and adequate production so that consumers will be supplied with their needs and will not be forced to pay exorbitant prices for their food. Almost everywhere we went we found the farm people very solicitous that the consumers in the cities not be overcharged.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. EASTLAND. I should like to have the RECORD show at this point that the Senator from Vermont has worked zealously, conscientiously, and well on this program. He has devoted to it practically all his time and energies for almost a year. He has brought forth, I know,

under the circumstances, the very best bill he could for the farmers.

Mr. President, not only is the Senator from Vermont highly conscientious, but today he is the agricultural leader of the Nation. I congratulate him for the fine work he has done on this bill.

Mr. AIKEN. I thank the Senator very much for his kind words.

Mr. THYE. Mr. President, let me say to the distinguished Senator from Mississippi that when he refers to this program as the best program which could be obtained, I wish to say that it is the best program which could have been conceived. I should like to say that the distinguished chairman of the subcommittee, the Senator from Vermont [Mr. AIKEN], who presided over the subcommittee at all its hearings, and who proceeded to get the views of the farmers in regard to the agricultural program, has been able to develop what now is embodied in Senate bill 2318; and I repeat that it is not simply the best program which could be developed under the circumstances, but it is the best possible program which could have been conceived as a long-range program to replace the so-called war emergency legislation which was enacted in the form of the Steagall amendments.

So I, too, wish to commend the Senator from Vermont for the splendid job he has done.

Mr. EASTLAND. Mr. President, I do not desire to become involved in a partisan discussion on that subject with the Senator from Minnesota. My sole purpose was to compliment the Senator from Vermont.

As the Senate knows, I have a very high regard for the Senator from Vermont. I know he is conscientious. I know he is one of the most able Members of this body. I know he has rendered invaluable service to agriculture, not only from a sectional viewpoint, so far as Vermont is concerned, but from a national viewpoint, for he has had the interests of the entire country at heart. If there is any Member of this body who has the national viewpoint and who attempts to do what is best for all the people of the United States, certainly it is the distinguished Senator from Vermont. I congratulate him, and I am happy to be associated with him in this body.

Mr. AIKEN. Mr. President, I thank both the Senator from Mississippi and the Senator from Minnesota for the remarks they have made. I appreciate them very much indeed.

Mr. President, I wish to say that this bill seems to have acquired the name of the Aiken bill, but as a matter of fact it is the bill of all those who worked on it. It is no more the Aiken bill than it is the Lucas bill or the Thye bill or the Wilson bill or the Thomas bill or the Ellender bill or the Bushfield bill or the Young bill, or the bill of any of the other Senators who worked on it. It is the committee bill. It is the bill which has been developed as a result of the request which the Senate made of our committee. We have done the job as well as we could. We think we have done a good job, we may as well admit it. No trace of partisanship has entered into our delibera-

tions in connection with the formulation of this bill.

Mr. President, I hope the bill will pass the Senate unanimously tonight, and I hope the Senate will reject any proposed substitutes or further amendments. I do not agree with those who say that the House will not accept the bill. The House certainly will not turn down a long-range farm bill for the United States, when the entire Nation is demanding it. If by any chance the bill should be rejected, I do not wish it to be said that the Senate was responsible for blocking what I think is the best long-range farm program which ever has been presented to this body.

Mr. President, let us pass this bill; let us pass it unanimously, so that we can carry the spirit of nonpartisanship right through to the enactment of the bill.

I have nothing more to say on this subject, Mr. President. I believe the Senator from Georgia has 15 minutes' time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia [Mr. RUSSELL] for 15 minutes.

Mr. RUSSELL. Mr. President, I know of little that can be added to the statement I made in support of the substitute earlier in the day. I wish again to emphasize that the substitute presents the one certain opportunity for the Senate to assure the continuance of a farm program next year without interruption.

A great many bugaboos have been created by the discussion against the substitute. It has been stated it would cost a great deal of money. That charge is not sustained by the facts. The records of the Department of Agriculture and the Commodity Credit Corporation will show that under the program in existence at the present time, which by the substitute will be continued for a period of 18 months, approximately \$200,000,000 has been earned over and above losses sustained by the Commodity Credit Corporation. The most important thing involved in the entire discussion is the assurance that we shall have a farm bill in operation continuously until the next Congress shall have a fair chance to consider the subject. The committee bill with all its complexities, with its entirely new approach to the problem is understood by few Senators. It has never been applied. It leaves discretion in the hands of the Secretary of Agriculture that can cause it to work out in a manner not even envisioned by its own sponsors.

The substitute covers all agricultural commodities.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I have only a few minutes, but I will yield.

Mr. THYE. Mr. President, when the able Senator from Georgia said the Secretary could work out a schedule that was not even now anticipated by the authors, or something to that effect, I merely wanted to ask the question: In what manner could the Secretary work out a schedule which has not been conceived by those who have labored in the preparation and in the formulation of the bill?

Mr. RUSSELL. Mr. President, the point I was making was that the bill leaves so much to administration that while the Senator, as he is a member of the committee, may know what the bill contains—and I am willing to concede that he does—yet time and again I have seen the Senate pass bills on the theory they meant one thing, only to find when they reached the administrator that they meant something entirely different.

The bill leaves great discretion in the hands of the Secretary of Agriculture, not only as to the complete reorganization of the Department, which has scarcely been mentioned in the course of the discussion, but also as to the amount of loans he will allow for the various commodities. He has a great deal of leeway between 60 and 90 percent in some cases, as to the amount of loan that shall be made available to the producers of certain commodities. It is venturing into an entirely new field without, as I insist, adequate consideration, and certainly the other body will have no chance whatever to consider the bill other than to hear it read to them after the conferees agree, if they accept it.

On the other hand, we have a program that has been tried and has proved effective. It is in operation tonight. The farmers of the country understand it; the Members of the Senate know how it is applied; the Department of Agriculture has had experience in dealing with it. It enabled us to produce food and fiber with which to win the greatest war in history. If we continue it in effect, it will enable us to fulfill our commitments under the Marshall plan to the people of Europe. If we pass a new bill, fixing a different standard and destroying the incentives to production, we shall find it necessary perhaps to double the appropriations for the Marshall plan in order to meet the commitments in pounds of food and pounds of clothing promised to those who have joined with us in this great international undertaking to restore stability and preserve democracy on the face of the earth.

Mr. President, the point has been belabored at great length that one of these days, if we continue to extend this small measure of justice to the American farmer, the American people will rise up in their might and strike down any farm bill at all. What are farmers? Are they not, too, citizens of the United States? Are they not, too, American people? I submit that that kind of argument is merely carrying out the old idea that the farmer is a class aside, to himself, and is entitled to scant recognition and should appreciate any crumbs which happen to fall from the congressional table when we are enacting laws for the benefit of all the people.

The idea that the farmer is getting rich is as wild and visionary a thought as has ever been advanced in the Congress. It is impossible for the farmer to get rich when more than 30 percent of the farmers, even today with high prices, have a total income, including the use of the house in which they live, the fuel and the water they use, that amounts only to \$600 a year.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. McCLELLAN. The Senator made reference to the threat that the American people might strike down the farm program, and that if we undertake to place a floor under farm prices, the American people may at some time rebel against it. I wonder, if they were ever to rebel against such a program, if they would not at the same time rebel against the Government's fixing of prices, minimum wages, and also granting collective-bargaining rights to the laborers in industry.

Mr. RUSSELL. I thank the Senator. I was just coming to that. Here is a farmer of whom it is said that if he is guaranteed a loan of 29 cents a pound for his cotton, the American people will rise up in their might and deny him any rights whatever and will abolish all legislation for the benefit of the farmer. It has been established beyond any peradventure, and it has never been challenged, that it takes 1 hour of labor at 29 cents an hour to produce 1 pound of cotton; and yet with all the benefits of minimum wages-and-hours and of collective bargaining and an industrial pay roll which has increased threefold since 1940, it is said the farmer is going to be victimized by the American people.

The farmer is an American citizen. Senators on this floor are supposed to represent him as well as all other constituents. If the farmer is injured as a result of continuing the program for a short period of time with the pitiful benefits it accords him, it will be the fault of those on this floor who have been sent here by the votes of the farmers. The farmers of this country, Mr. President, are not asleep. If Senators propose to be intimidated, and if the alleged American people of whom the farmer is not a part undertake to grind under foot those who till the soil I respectfully predict there will be some changes made, and there will be other Senators here who will be willing to see that the farmers enjoy at least a small modicum of the unparalleled prosperity which is now sweeping the country. It is high time that the farmer should be permitted to share in it at least to the extent of 90 percent of parity on his basic commodities. That will be assured by the substitute.

Thirty-seven years have passed since the beginning of the period on which parity is based. In those 37 years, for 11 years only have farm prices been at or above parity. In 26 of those years farm prices have been below parity. More than a third of a century has passed, and the farmer has enjoyed only 11 years of parity. To argue on the floor of the Senate, Mr. President, that to enable him to have 90 percent of parity will cause the repeal and the abolition of all farm laws, is, to me, simply not worthy of serious consideration.

Mr. President, whatever else may be said regarding the committee bill, there is no question that it works radical changes, if not revolutionary changes, not only in the Department of Agriculture, but in the farm program. I do not

like a policy which provides for tying together in one lump all farm commodities in arriving at parity. It is much more fair to have each commodity stand on its own feet, with the same standard to be applied in fixing the parity price. Under the 10-year moving average, the smallest commodity which is admitted to the list of those to be entitled to the meager benefits of the bill would have as much weight in fixing the parity price as the other commodities, such as dairy products, which represents millions of dollars. It is not sound, right, or fair. I care not how many economists may support the policy, it cannot possibly work out and be a success.

Those Senators who wish, may vote for the committee bill. They may vote for a measure that fails the farmer in his hour of need, because when there is a surplus and his prices are depressed, his loan value is depressed along with it. That is not the proper concept of farm relief legislation. Such legislation should be of benefit to the farmers and be of help to them when they need help. But an entirely opposite philosophy is adopted by the committee bill. Prices go down and the loan value goes down with them, so that the farmer, at the very time when he needs help to enable him to buy the things he needs, to pay his debts, and to keep his children in school, finds that this bill has failed him because it has brought down the loan value in proportion to the surplus which is on hand. Therefore it does not sustain him in his hour of need.

The substitute which I propose contains proper safeguards to see that there is not overproduction. Senators have referred to the fact that there is no protection in the substitute bill against overproduction. It is written into the substitute in two different places that the Secretary of Agriculture has the right to prescribe the regulations under which loans may be advanced.

Mr. President, the Senators who so desire may go home and tell the farmers that they have passed a great farm bill for their relief. But when the farmer finds that his loan values have been reduced 20 percent, I doubt if he will think he has been helped. When he finds that there have been drastic changes in the Department of Agriculture and that the years he has devoted to the study of what constitutes the parity formula have been all for naught and the formula is no longer applicable, I doubt whether the farmer will think he has been greatly benefited.

A number of commodities are afforded no protection whatever by the committee bill. They had protection under the Steagall amendment. They have protection in the substitute bill. The producers of those commodities have no recourse whatever under the committee bill. By the adoption of the substitute bill we shall end any discussion of a farm program in this session of the Congress. We shall put it beyond the power of any man or set of men to kill the farm program in the last days of the session because of the congested condition of the calendar. We shall be able to re-

turn in January and approach the problem in the calm atmosphere of the early days of the legislative session, not when we must be considering what will happen to the draft bill.

Mr. President, the course of wisdom and prudence is for the Senate to adopt the substitute which I have proposed.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. WHERRY. Mr. President, I should like to discuss my amendment. I ask that the reading of it be dispensed with. If the Senators will turn to page 51 of the bill it will be found that my amendment strikes out the provision for the abolishment of regional offices of the Soil Conservation Service.

Mr. President, the effect of this amendment would be to retain the regional offices of the Soil Conservation Service for greater economy and greater efficiency in the conservation program. We have made quite a point here about improving efficiency and promoting economy in government. It is most puzzling, therefore, to note that this bill would upset a proven administrative structure that has favorably stood the test of time and considerable study.

I recognize that in some instances over the past years the regional office has been an excessive and expensive feature of administration in other Government programs. I recognize, also, that there are some people who object to regional offices as a matter of general principle, because they do not like the idea. Because one set of regional offices has been bad, however, does not mean that all the rest are bad. If that were true we might as well draft a general provision abolishing all regional offices wherever they exist throughout the Government.

As a matter of fact, the well-run regional office is now generally recognized by businessmen to be a necessary and money-saving device in the conduct of any large nation-wide operation. That is true in government as well as in the business world. The regional offices of the Soil Conservation Service have been among the most efficiently run offices in the Federal Government. To abolish them would increase the cost of carrying on the conservation program and would reduce the efficiency of the program.

The organization of the Soil Conservation Service is established along lines well proven by American business. The pattern is similar to organizations such as insurance companies, public utilities, oil and manufacturing companies, as well as some long-established Federal agencies.

The Soil Conservation Service has Washington, regional, State, and field offices, as do many of the Nation-wide business firms which have their home offices, regional offices, district offices, and dealers.

For example, Mr. Mooch, director of business management for the Chrysler Corp., states that:

The automobile business is, as a general rule, operated on the same basis by all companies. In our particular case we have 18 regions, each in charge of a regional man-

ager. These are further divided into districts which are in charge of a district manager. It would be a very impractical operation to try to handle all of the detail of our dealer customers from a central office.

Another example is the John Deere Farm Implement Co., a national business firm dealing with farmers and ranchers. K. W. Anderson, manager of product research, Deere & Co., has this to say about their organizational set-up:

At the present time we have 15 regional branches in the United States, four in Canada and a separate export division. Each is in charge of a general manager. The people of Deere & Co. have adhered to a policy of decentralization since the beginning of its operations over 110 years ago.

The American Bell Telephone Co. is an example of a national public utility. It has a national over-all policy and financial headquarters in New York. Scattered over the country, geographically located, are subsidiary operating companies with complete authority within delineated territorial lines. The Soil Conservation Service organization parallels this organization very closely.

Mr. R. I. Nowell, second vice president of the Equitable Life Assurance Society of the United States, explains their organization on this basis:

We have operated under a regional organization since about 1930 when our administrative problems first became complicated. We have 10 regional offices. It would be physically impossible for us at the home office to deal directly with all of these field men. Similarly, a State organization would be much too small and numerous for effective and efficient handling. The overhead involved in a State organization would be prohibitive if men of the desired caliber were employed.

The Federal Reserve System, drawing heavily upon the business judgment of the American bankers, was established for practical administration and efficient operation to flow through 12 strategically located districts or regions.

These and many more business firms have a regional type of organization because it is more economical and efficient. The Soil Conservation Service has a regional organization for similar reasons. According to a statement made by the budget officer of the Department of Agriculture to the House Appropriations Committee during the hearings on the 1948 budget, the Soil Conservation Service has one of the most economical administrative organizations of any bureau in the Department of Agriculture. According to the data presented, 94 percent of the funds of the Soil Conservation Service went to the field for technical assistance and work with the farmer and rancher.

Careful studies indicate clearly that it would cost substantially more to administer the conservation program if it were handled directly through 48 State and 3 Territorial offices rather than through the 7 regional offices now used. In fact, these studies indicate that at least 363 more people would be required in the Washington and State offices to do the work being accomplished under the present regional organization. To abolish these 7 regional offices would automati-

cally increase the number of people required to do the work in offices. This, in turn, could result in a reduction of the number of technicians working directly with farmers and ranchers.

In any event, I seriously question the wisdom of including an administrative restriction of this kind in broad, long-range farm legislation. No evidence is shown to support the proposal, and, in my opinion, it should be deleted.

I think it is a mistake to take out the regional offices at this time. I had quite an argument with reference to the matter. I talked myself out of an opportunity of presenting the amendment, because it is approximately 9 o'clock, when a vote will be had. The Senator from Vermont [Mr. AIKEN] knows the story better than I do. I shall not call for a vote upon it, but will ask the Senator from Vermont, in view of the fact that the amendment is not in the House bill, to take it up in conference and do his level best to see that it is brought to the attention of the conferees in the hope that they can work out the best solution possible. I ask the Senator whether he will do that for me.

Mr. AIKEN. I have 2 minutes left, I believe.

The provision of the Senate bill abolishes regional offices of the Soil Conservation Service because only 10 percent of the funds are spent in those offices. While we require the abolishment of the offices, we do not prevent the reestablishment of regional offices where needed, but the committee felt that States as large as Texas or California could well deal with the Washington office.

I shall call the matter to the attention of the conferees as requested by the Senator from Nebraska, and will see that the question has the full consideration of the conference committee.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield. I have a half minute left, I think.

Mr. LUCAS. This is one of the matters I had on my program which I overlooked. I want to associate myself with the Senator from Nebraska on this question, because the elimination of the regional offices will increase substantially the size of the State and national offices. In my opinion, it will cause greater expense if we eliminate them, and we shall have less efficiency.

Mr. AIKEN. I will say to the Senator that the matter will be considered by the conferees.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. COOPER. I know the Senator from Vermont is familiar with Public Law 163, of the Seventy-ninth Congress, and particularly with section 2 of the act dated July 28, 1945, for which relationship is established between the support prices of fire-cured tobacco and flue-cured tobacco.

Mr. AIKEN. The same relationship will exist under Senate bill 2318.

The PRESIDING OFFICER. All time for debate under the agreement has expired.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hatch	O'Connor
Baldwin	Hawkes	O'Daniel
Ball	Hayden	Pepper
Barkley	Hickenlooper	Revercomb
Brewster	Hill	Robertson, Va.
Bricker	Hoey	Robertson, Wyo.
Brooks	Holland	Russell
Buck	Ives	Saltonstall
Butler	Johnson, Colo.	Smith
Byrd	Johnston, S.C.	Sparkman
Cain	Kem	Stennis
Capehart	Kilgore	Stewart
Chavez	Langer	Taft
Connally	Lucas	Taylor
Cooper	McCarthy	Thomas, Okla.
Cordon	McClellan	Thye
Donnell	McFarland	Tobey
Downey	McGrath	Tydings
Dworshak	McKellar	Umstead
Eastland	McMahon	Vandenberg
Ecton	Magnuson	Watkins
Ellender	Malone	Wherry
Feazel	Martin	Wiley
Ferguson	Maybank	Williams
Flanders	Millikin	Wilson
Fulbright	Morse	Young
Green	Murray	
Gurney	Myers	

The PRESIDENT pro tempore. Eighty-two Senators having answered to their names, a quorum is present.

The pending question is on agreeing to the amendment of the two Senators from Maryland to the Russell amendment in the nature of a substitute.

Mr. RUSSELL. Mr. President, I accept the amendment.

The PRESIDENT pro tempore. The Senator from Georgia accepts the amendment to his amendment. The question is on the substitute offered by the Senator from Georgia as modified.

Mr. WILLIAMS. Mr. President I have an amendment at the desk which I ask to have stated. It is an amendment to be proposed to the substitute.

The PRESIDING OFFICER. The Clerk will state the amendment.

The CHIEF CLERK. On page 2, line 18, after the word "until" it is proposed to strike out "June 30, 1950", and insert in lieu thereof "December 31, 1949."

Mr. RUSSELL. Mr. President, I have no objection to that amendment.

The PRESIDING OFFICER. The Senator from Georgia further modifies his substitute by the acceptance of the amendment offered by the Senator from Delaware.

The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Georgia [Mr. RUSSELL], as modified.

Mr. ELLENDER. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. WHERRY. I announce that the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], the Senator from Indiana [Mr. JENNER], and the Senator from Maine [Mr. WHITE] are necessarily absent. If present and voting, the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], and the Senator from Indiana [Mr. JENNER] would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from

Kansas [Mr. REED] are detained on official business. If present and voting, the Senator from New Hampshire and the Senator from Kansas would vote "nay."

The Senator from California [Mr. KNOWLAND] is absent by leave of the Senate and is paired with the Senator from Oklahoma [Mr. MOORE], who is detained on official business. If present and voting, the Senator from California would vote "nay" and the Senator from Oklahoma would vote "yea."

The Senator from Massachusetts [Mr. LODGE] is necessarily absent and is paired with the Senator from Georgia [Mr. GEORGE]. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Georgia would vote "yea."

Mr. LUCAS. I announce that the Senator from Georgia [Mr. GEORGE] is absent because of a death in his family.

The Senator from Nevada [Mr. McCARRAN], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having been appointed a national delegate by the President to the annual conference of the International Labor Organization, meeting in San Francisco, Calif.

I announce further that the Senator from Georgia [Mr. GEORGE], who would vote "yea" if present, is paired with the Senator from Massachusetts [Mr. LODGE], who would vote "nay" if present.

The result was announced—yeas 27, nays 55, as follows:

YEAS—27

Barkley ✓	Hatch ✓	Murray
Bricker	Hayden ✓	O'Connor
Buck	Hill	O'Daniel
Byrd	Johnston, S.C.	Robertson, Va.
Connally ✓	Kilgore	Russell
Eastland ✓	McClellan ✓	Sparkman
Ecton	McFarland	Stennis
Feazel	McKellar ✓	Tydings
Fulbright ✓	Maybank ✓	Umstead ✓

NAYS—55

Alken	Hawkes	Revercomb
Baldwin	Hickenlooper	Robertson, Wyo.
Ball	Hoey ✓	Saltonstall
Brewster	Holland ✓	Smith
Brooks	Ives	Stewart
Butler	Johnson, Colo.	Taft
Cain	Kem	Taylor
Capehart	Langer	Thomas, Okla.
Chavez ✓	Lucas ✓	Thye
Cooper	McCarthy	Tobey
Cordon	McGrath ✓	Vandenberg
Donnell	McMahon ✓	Watkins
Downey ✓	Magnuson ✓	Wherry
Dworshak	Malone	Wiley
Ellender ✓	Martin	Williams
Ferguson	Millikin	Wilson
Flanders	Morse	Young
Green ✓	Myers	
Gurney	Pepper	

NOT VOTING—14

Bridges	Knowland	Reed
Bushfield	Lodge	Thomas, Utah
Capper	McCarran	Wagner
George	Moore	White
Jenner	O'Mahoney	

So Mr. RUSSELL's substitute amendment, as modified, to the committee amendment, was rejected.

The PRESIDENT pro tempore. The question now is on the committee amendment, as amended. The committee amendment is still open to amendment.

The Chair would like to state at this point his understanding of the unanimous-consent agreement. The Chair's

understanding is that 10 minutes of time is available on each amendment to the committee amendment; 5 minutes being available to the author of an amendment, and 5 minutes to the opposition. General debate has been concluded.

Mr. RUSSELL. I desire to call up my amendment "K" which has been printed and lies on the table.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 71, between lines 11 and 12, it is proposed to insert the following:

(1) (A) The "parity price" for any agricultural commodity, as of any date, shall be—

(i) that price for the commodity which will give to the commodity a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period; and which will also reflect current interest payments per acre on farm indebtedness secured by real estate, tax payments per acre on farm real estate, costs of all farm labor (on the basis of the national average and including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm, computed for all such labor on the basis of wage rates for hired farm labor), and freight rates, as contrasted with such interest payments, tax payments, farm labor costs, and freight rates during the base period; or

(ii) the alternative parity price for the commodity determined as provided in subparagraph (B) of this paragraph,

whichever is higher. For the purpose of clause (i) of the preceding sentence the base period shall be the period August 1909 to July 1914 in the case of all agricultural commodities except tobacco, the period August 1919 to July 1929 in the case of all kinds of tobacco except burley and flue-cured, and the period August 1934 to July 1939 in the case of burley and flue-cured tobacco.

On page 71, line 12, it is proposed to strike out "(1) (A) The 'parity price'" and insert in lieu thereof "(B) The 'alternative parity price'."

On page 71, line 16, it is proposed to strike out "(B)" and insert in lieu thereof "(C)."

On page 72, line 4, it is proposed to strike out "(C)" and insert in lieu thereof "(D)."

On page 72, line 7, before the word "and", it is proposed to insert the following: "costs of all farm labor (on the basis of the national average and including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm, computed for all such labor on the basis of wage rates for hired farm labor)."

On page 2, line 9, after "rates", it is proposed to insert "costs."

On page 72, line 11, it is proposed to strike out "(D)" and insert in lieu thereof "(E)."

Beginning with line 14 on page 72 it is proposed to strike out all down to and including line 4 on page 73.

On page 73, line 6, it is proposed to strike out "and (E)."

On page 73, lines 7 and 8, it is proposed to strike out "subparagraphs (A) and (E)" and insert in lieu thereof "subparagraph (A)."

Mr. RUSSELL. Mr. President—

The PRESIDENT pro tempore. The Senator from Georgia is recognized for 5 minutes.

Mr. RUSSELL. Having failed in my effort to get a good bill at one bite, I desire to offer my amendment "K" to undertake to improve the pending bill. The amendment does two things. First, it includes in the parity formula all farm labor. The Senate has had that issue before it heretofore and has voted to include farm labor in the parity formula.

The amendment does another thing. It adopts the original provision of the Aiken bill, as introduced, providing the basis on which farm loans are made. The Aiken bill as originally introduced—and it will be found in the matter that is stricken out—allowed two bases for these loans, one of them being the existing parity formula, and the other being the new parity formula which is established by this bill, whichever is the higher. If Members of the Senate do not desire to have a lower loan rate, this amendment gives them an opportunity to meet their wishes in the Aiken bill, because it provides that the loan rate shall be based upon either the new parity formula established by the bill, about which there has been so much discussion and controversy, or on the old farm parity formula, including farm labor, whichever shall be higher.

I think that is a perfectly fair proposal. I regret that the committee saw fit to strike the provision from the original bill. This amendment proposes to reinstate it. I do not care to attempt to discuss this question in the 5 minutes allowed me, but I do wish to say that if we are to pass this bill we should do what we can to get a fair parity formula while we are at it. Farm labor and the labor of the family on the farm should be taken into account in computing a parity formula. The Senate has voted at least twice in the past to bring that factor into the parity formula. Now that we are adopting a long-range program, one that will be permanent from now on into the endless reaches of eternity, while the opportunity is afforded us, we should correct this error and vote to put farm labor into the parity formula.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. JOHNSON of Colorado. Will the net effect of this amendment be to increase the cost of labor or decrease it, or will it have any effect whatsoever upon the cost of labor?

Mr. RUSSELL. It does not affect the cost of labor. It merely brings that element of cost, whatever it may be, into the computation of the parity formula.

Mr. JOHNSON of Colorado. Is it based on an average?

Mr. RUSSELL. It is based upon an average, established by the Bureau of Agricultural Economics. They establish every year the average cost of farm labor of certain types.

Mr. JOHNSON of Colorado. So they set the price of farm labor.

Mr. RUSSELL. No; they ascertain what has been paid for farm labor. They do not fix the price of farm labor. This is not a price-fixing amendment. It merely brings into the parity formula the element of the cost of labor, just as

the cost of what the farmer buys, what he pays in taxes, and the interest on his mortgage are all included in the parity formula.

No one can deny that labor is an essential element in the cost of production of agricultural commodities. This amendment recognizes that fact—not only hired labor, but labor of the farmer's family. If we are to adopt a long-range program, it would be very unfair to the farmers of the Nation to leave out this important element in the cost of production which all farmers have to pay.

Mr. President, I have not the time in 5 minutes to go into this question at any great length; but if the long-range bill is to be approved, this amendment will strengthen it immeasurably. I hope the Senate will adopt it.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. I yield to the Senator from Illinois [Mr. LUCAS].

Mr. LUCAS. Mr. President, I rise in opposition to the pending amendment. This is the most far-reaching amendment any one can imagine, if one really does not understand what is in it. We were told by the Senator from Georgia that we discussed a bill this afternoon with many features in it that were not understood. Here is an amendment which would require a long time to discuss. It is far-reaching and important. It should not under any circumstances be accepted after 10 minutes of debate.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LUCAS. I cannot yield. I have only 5 minutes.

When the parity formula was enacted by Congress many years ago labor, as one of the factors, was considered by the best minds of agriculture at that time. At that particular moment labor was cheap. If Congress had put labor into the parity formula as one of the factors at that moment, we would have denied the farmer the parity prices he obtained at that time for many years thereafter.

As prices rose and as labor became more costly, and when the element of labor, figured into a parity formula, would give the farmer a better price for his produce, the same individuals who denied labor a place in the formula in the beginning then wanted it. They now want it, in order to give the farmer more money for his products.

Of course labor is an element. No one denies that labor is a factor, but it was not considered in the beginning. We should not consider it now. If the time should ever come when labor would again be cheap, the same group who now want labor included would be saying, "Let us take labor out, because labor is cheap, and the farmer will get more if we take it out." It is a dangerous thing with which to tamper.

Furthermore, it is administratively impossible to do what this amendment would attempt.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LUCAS. No; I cannot yield. I regret it.

When we talk about including farm operators and members of the family of farm operators engaged in work on the farm, and computing all such labor on the basis of wage rates for hired farm labor, think what that would do. In discussing hired labor alone in the committee hearings, we discovered it was difficult to determine how such a provision could be administered. Now it is proposed to include everyone in the family in the formula. We never could get around to administering the law in a way that would be efficient and honest. It would be a case of guesswork from beginning to end.

Mr. President, this is no time to tamper with the parity formula, which has worked so well for the American farmer all these years. Practically every important witness, including Mr. Kline, of the American Farm Bureau Federation said, "Leave the parity formula as it is."

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LUCAS. No; I cannot yield. I am sorry.

Mr. RUSSELL. I yielded when requested to do so.

Mr. LUCAS. The Senator will have more time. I did not interrupt him. He knows that we are operating under a 5-minute limitation.

Mr. President, if there was ever an amendment which should be voted down, this is the one.

Mr. THYE. Mr. President—

The PRESIDENT pro tempore. All time is exhausted.

The question is on agreeing to the amendment lettered "K" offered by the Senator from Georgia [Mr. RUSSELL] to the committee amendment.

Mr. RUSSELL. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. RUSSELL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	O'Daniel
Baldwin	Hayden	Pepper
Barkley	Hickenlooper	Reed
Brewster	Hill	Revercomb
Bricker	Hoey	Robertson, Va.
Brooks	Holland	Robertson, Wyo.
Buck	Ives	Russell
Butler	Johnson, Colo.	Saltonstall
Byrd	Johnston, S.C.	Smith
Cain	Kem	Sparkman
Capehart	Kilgore	Stennis
Chavez	Langer	Stewart
Connally	Lucas	Taft
Cooper	McCarthy	Taylor
Cordon	McClellan	Thomas, Okla.
Donnell	McFarland	Thye
Downey	McGrath	Tobey
Dworshak	McKellar	Tydings
Eastland	McMahon	Umstead
Ecton	Magnuson	Vandenberg
Ellender	Malone	Watkins
Feazel	Martin	Wherry
Ferguson	Maybank	Wiley
Flanders	Millikin	Williams
Fulbright	Morse	Wilson
Green	Murray	Young
Gurney	Myers	
Hatch	O'Connor	

The PRESIDENT pro tempore. Eighty-two Senators having answered to their names, a quorum is present.

The question is on agreeing to amendment lettered "K" offered by the Senator

from Georgia to the committee amendment.

Mr. RUSSELL. Mr. President, is it in order to request the yeas and nays on this question?

The PRESIDENT pro tempore. The Senator is entitled to do so, if he wishes.

Mr. RUSSELL. Then, Mr. President, I ask for the yeas and nays on this question.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. WHERRY. I announce that the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], the Senator from Indiana [Mr. JENNER], and the Senator from Maine [Mr. WHITE] are necessarily absent. If present and voting, the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], and the Senator from Indiana [Mr. JENNER] would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES], and the Senator from Oklahoma [Mr. MOORE], and the Senator from Minnesota [Mr. BALL] are detained on official business. If present and voting, the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Minnesota [Mr. BALL] would vote "nay."

The Senator from California [Mr. KNOWLAND] is absent by leave of the Senate. If present and voting, the Senator from California would vote "nay."

The Senator from Massachusetts [Mr. LODGE] is necessarily absent and is paired with the Senator from Georgia [Mr. GEORGE]. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Georgia would vote "yea."

Mr. LUCAS. I announce that the Senator from Georgia [Mr. GEORGE] is absent because of a death in his family.

The Senator from Nevada [Mr. McCARRAN], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having been appointed a national delegate by the President to the annual conference of the International Labor Organization, meeting in San Francisco, Calif.

I announce further that the Senator from Georgia [Mr. GEORGE], who would vote "yea," if present, is paired on this vote with the Senator from Massachusetts [Mr. LODGE], who would vote "nay," if present.

The result was announced—yeas 23, nays 59, as follows:

YEAS—23

Barkley	Johnson, Colo.	Pepper
Byrd	Johnston, S.C.	Robertson, Va.
Connally	McClellan	Russell
Downey	McFarland	Sparkman
Eaton	McKellar	Stewart
Fulbright	Maybank	Thomas, Okla.
Hayden	Murray	Umstead
Hill	O'Daniel	

NAYS—59

Aiken	Capehart	Feazel
Baldwin	Chavez	Ferguson
Brewster	Cooper	Flanders
Bricker	Cordon	Green
Brooks	Donnell	Gurney
Buck	Dworshak	Hatch
Butler	Eastland	Hawkes
Cain	Ellender	Hickenlooper

Hoey	Martin	Taylor
Holland	Millikin	Thye
Ives	Morse	Tobey
Kem	Myers	Tydings
Kilgore	O'Connor	Vandenberg
Langer	Reed	Watkins
Lucas	Revercomb	Wherry
McCarthy	Robertson, Wyo.	Wiley
McGrath	Saltonstall	Williams
McMahon	Smith	Wilson
Magnuson	Stennis	Young
Malone	Taft	

NOT VOTING—14

Ball	Jenner	O'Mahoney
Bridges	Knowland	Thomas, Utah
Bushfield	Lodge	Wagner
Capper	McCarran	White
George	Moore	

So Mr. RUSSELL's amendment lettered "K" to the committee amendment was rejected.

The PRESIDENT pro tempore. Are there further amendments to be proposed?

Mr. RUSSELL. Mr. President, I call up my amendment lettered "J" to the committee amendment, and ask that it be stated.

The PRESIDENT pro tempore. The amendment to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 72, line 6, after the comma, it is proposed to insert the following: "costs of all farm labor (on the basis of the national average and including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm, computed for all such labor on the basis of wage rates for hired farm labor)."

On page 72, in line 9, after "prices", it is propose to insert "costs."

The PRESIDENT pro tempore. The Senator from Georgia is recognized for 5 minutes.

Mr. RUSSELL. Mr. President, the amendment does not call for a loan value at a high rate of parity or under the 10-year moving average. It is confined solely and exclusively to the question of whether or not the farmer and those engaged in agricultural pursuits shall be allowed some consideration for the tremendously high cost of labor that goes into agricultural production today. The Senate may, if it chooses, vote down my amendments, but the amendments are fair, they are just, and the cost of production is the element that goes into every other commodity sold on the American market today.

Mr. President, I merely want to say a word or two in reply to the Senator from Illinois, who was not kind enough to yield. He said this amendment would disturb the parity formula when the bill of which he is the sponsor wipes out the parity formula we have always known and writes a completely new formula. I am trying to perfect that formula by protecting the farmers and those engaged in agriculture in what they have to pay in farm wages today.

He stated that the amendment was administratively impossible. When we discussed the matter here once before, and the Senator from Illinois was opposing the proposal on the floor, the Senate was dealing with the farm problem more calmly than it is this evening. When the Senator from Illinois rose on that same question, he said it could not

possibly be determined what element of wages went into the cost of production in farming and into the parity formula. He then proceeded for the next 15 minutes to read a speech which had been prepared in the Department, which set forth in great detail the exact changes which would be brought about in parity if farm wages were included, and said it would put farm products so high that wages should not be included.

There is nothing administratively impossible about the proposition. It is fair and just and equitable, and I would ask that Senators consider it squarely on its merits.

Mr. President, I yield the remainder of my time to the Senator from Florida [Mr. PEPPER].

Mr. THYE. Mr. President, will the Senator yield?

Mr. PEPPER. I regret, Mr. President, I obviously do not in 2 minutes have the time to yield, unless by unanimous consent my time may be extended. If that is not granted, I shall be unable to yield to the able Senator from Minnesota.

The PRESIDENT pro tempore. Does the Senator wish the Chair to put the request to the Senate?

Mr. PEPPER. If the Senator wishes me to yield—

Mr. THYE. No.

Mr. PEPPER. Very well. Mr. President, since I have been in the Senate I have been identified in every way I could with an effort to raise the wages of working men and women. I have been identified with every minimum-wage bill with which I could associate myself. In the past, minimum-wage legislation has been restricted to nonagricultural labor, and every time we talk about extending minimum-wage laws to agricultural labor, where the need is greater than it is even in the industrial field, we are told it cannot be done. I know it never will be done unless somehow we find a formula by which the cost of the labor the farmer hires, the money the farmer spends for wages, is included in the price he gets for his commodity; that is, in this instance, into the parity formula.

I say, Mr. President, the need is greatest among farm labor for a decent wage level. We will never get such a level unless the farmer can in some way or other be protected by having included in the price he gets for his commodity in the market place the good wages he pays his working men and women in the field. I believe it is a salutary step forward. It is a principle of equity and fairness to the farmer laborers, to put them on a parity eventually with the industrial labor of the Nation. I hope the amendment will be adopted.

The PRESIDENT pro tempore. The Senator's time has expired. Does the Senator from Vermont yield to the Senator from Minnesota?

Mr. AIKEN. I yield 5 minutes to the Senator from Minnesota.

The PRESIDENT pro tempore. The Senator from Minnesota is recognized for 5 minutes.

Mr. THYE. If farm labor were figured in the parity formula under the bill, it would have this effect: During an inflated era, when prices were high, parity would

be raised by the inclusion of farm labor possibly as much as 5 percent. For the effect in a depressed era in agriculture, when prices are low, suppose we go back to the early 1930's. If we then figured the hired farm wage into the parity formula, it would have had a tendency to lower the parity and possibly would have brought parity several points below the actual parity that would have obtained if the farm labor were not figured into the formula.

It was for that reason the economists, the Department of Agriculture, and finally the committee, made the decision that they would accept the formula which did not include farm labor.

I think the able Senator from Georgia will agree that in figuring the formula for parity in the high inflationary prices we have today, we certainly would not want to increase the cost by including farm labor in the parity. But in the event we had a low, depressed condition, a return to agriculture that would be comparable, in other words, to what it was in the early 1930's, we certainly would want every factor to help lift the parity or the price structure of the agricultural economy at that time.

For that reason, I think, Mr. President, if we should adopt the amendment offered by the able Senator from Georgia it would be a mistaken attempt to aid the farmer. I would not do one thing that would injure agriculture in any way.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. THYE. The able Senator from Georgia had his moment of time, and I must beg that I be permitted to use my moments of time.

Mr. RUSSELL. I yielded to Senators all afternoon.

Mr. THYE. Mr. President, each and every member of the committee sat through many, many hours of public hearings on the entire question this past fall and during the winter months of the second session of the Eightieth Congress, and studied every phase of the entire farm program. I know that every committee member who served on that subcommittee, and even the entire Committee on Agriculture and Forestry, will agree with me that every figure we received from the economists was accompanied with advice against writing into the parity formula the cost or hire of labor, including family labor.

Mr. RUSSELL. Mr. President, if the Senator has time, will he yield for a moment?

Mr. AIKEN. How much time have I left, Mr. President?

The PRESIDENT pro tempore. Two minutes.

Mr. RUSSELL. The Senator can yield now if he will. He has 2 minutes.

Mr. AIKEN. Mr. President, I should like to say what the Senator from Minnesota has said is true, that including the cost of hired labor and family labor in the parity formula would increase the entire price of farm commodities during periods of inflation or periods such as we are going through now, about 5 percent. If, however, the time came when labor became more plentiful and cheap, the effect of including the cost of labor

would be to lower the parity prices of farm products below what they would normally be. The committee took this into consideration in fixing the levels of the bill at which farm commodities should be supported. Had we expected that farm labor would be included in the formula, we then would have so arranged the bill that the level of support would have been somewhat lower, but we took into consideration in fixing the level at which farm commodities would be supported the fact that the cost of farm labor or the value of the family labor, which is very difficult indeed to figure, should not be included in the computation of the parity program for farm commodities.

I believe that the bill is very well balanced as it is, and I do not believe it would be advisable to adopt any amendment which would have the effect of raising parity prices on an average of 5 percent.

The PRESIDENT pro tempore. All time on the amendment has expired.

The question is on agreeing to the amendment lettered "J" offered by the Senator from Georgia [Mr. RUSSELL].

Mr. RUSSELL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. WHERRY. I announce that the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], the Senator from Indiana [Mr. JENNER], and the Senator from Maine [Mr. WHITE] are necessarily absent. If present and voting, the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], and the Senator from Indiana [Mr. JENNER] would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Oklahoma [Mr. MOORE] are detained on official business. If present and voting, the Senator from New Hampshire [Mr. BRIDGES] would vote "nay."

The Senator from California [Mr. KNOWLAND] is absent by leave of the Senate. If present and voting, the Senator from California would vote "nay."

The Senator from Massachusetts [Mr. LODGE] is necessarily absent and is paired with the Senator from Georgia [Mr. GEORGE]. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Georgia would vote "yea."

The Senator from Indiana [Mr. CAPEHART] is unavoidably detained. If present and voting, the Senator from Indiana would vote "nay."

Mr. LUCAS. I announce that the Senator from Georgia [Mr. GEORGE] is absent because of a death in his family.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Washington [Mr. MAGNUSON], the Senator from Nevada [Mr. McCARRAN], the Senator from Maryland [Mr. O'CONOR], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having been appointed a national delegate by the President to the annual conference of the

International Labor Organization, meeting in San Francisco, Calif.

On this amendment I announce that the Senator from Maryland [Mr. O'CONOR] would vote "nay," if present.

I announce further that the Senator from Georgia [Mr. GEORGE], who would vote "yea," if present, is paired on this vote with the Senator from Massachusetts [Mr. LODGE], who would vote "nay," if present.

The result was announced—yeas 28, nays 51, as follows:

YEAS—28

Barkley	Hill	Pepper
Byrd	Johnson, Colo.	Robertson, Va.
Connally	Johnston, S. C.	Russell
Downey	Kilgore	Sparkman
Eastland	McClellan	Stennis
Eaton	McFarland	Stewart
Ellender	McKellar	Taylor
Feazel	Maybank	Umstead
Fulbright	Murray	
Hayden	O'Daniel	

NAYS—51

Aiken	Hatch	Reed
Baldwin	Hawkes	Revercomb
Ball	Hickenlooper	Robertson, Wyo.
Brewster	Hoey	Saltonstall
Bricker	Holland	Smith
Brooks	Ives	Taft
Buck	Kem	Thomas, Okla.
Butler	Langer	Thye
Cain	Lucas	Tobey
Cooper	McCarthy	Tydings
Cordon	McGrath	Vandenberg
Donnell	McMahon	Watkins
Dworshak	Malone	Wherry
Ferguson	Martin	Wiley
Flanders	Millikin	Williams
Green	Morse	Wilson
Gurney	Myers	Young

NOT VOTING—17

Bridges	Jenner	O'Conor
Bushfield	Knowland	O'Mahoney
Capehart	Lodge	Thomas, Utah
Capper	McCarran	Wagner
Chavez	Magnuson	White
George	Moore	

So Mr. RUSSELL's amendment lettered "J" was rejected.

Mr. RUSSELL. Mr. President, I now call up my amendment lettered "I," and ask that it be stated.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 72, line 6, after the word "buy" and the comma it is proposed to insert "wages paid hired farm labor," and on page 72, line 9, after the word "prices", insert the word "wages."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Georgia.

Mr. RUSSELL. Mr. President—

The PRESIDENT pro tempore. The Senator from Georgia is recognized for 5 minutes.

Mr. RUSSELL. Mr. President, the amendment just rejected by the Senate recognized the labor the farmer does on his farm, the labor the farmer's wife does in the field, and the labor his children do on the farm, in computing the parity index. That has now been eliminated by the vote just taken, and is not before the Senate for further consideration. The amendment which is now proposed merely asks that wages paid hired farm labor, in other words, the cash taken out of the farmer's pocket and paid to farm labor, shall be considered in computing the parity formula.

Mr. President, the Senate may vote again that wage costs have nothing to do with costs of production, and should not be considered in what a farmer should receive. I appreciate the fact that the Senate has given me a record vote on the two votes which have heretofore been had. I have learned a bitter lesson in regard to the 5-minute rule by what has transpired up until now. The very able Senator from Minnesota, in discussing the last amendment voted on, said that this was a period when farm wages were high, and that therefore the prices of commodities would be run up too high if we included all farm labor.

Mr. President, I merely wish to call attention to the fact that the bill which the Senator from Minnesota sponsors as a coauthor contains this provision in arriving at what is parity:

The general level of prices for articles and services that farmers buy.

That is in the committee bill. The general level of the prices for what the farmer buys is considered in arriving at the proper parity under the committee bill. The prices of what the farmer buys today are certainly inflated. No one would deny that the cost to the farmer of the things he purchases are approximately what they were in 1940. If they go down, under the parity formula in the pending bill the farmers' parity will go down with them.

Mr. President, this amendment recognizes that farm wages are at an all time high, and that the wages should be considered—this refers to out-of-pocket wages paid by the farmer—in arriving at a proper parity formula.

I submit that the cost of farm wages, the amount the farmer or the ranch owner or the plantation operator reaches in his pocket and pays out to the hands employed on his place, is as much a cost of production as anything else the farmer has to purchase, and that it is unfair and unjust to adopt this long-range program without taking into consideration farm wages actually paid out of pocket by the farmer in the computation of parity.

The amendment would have the effect of increasing parity a little; that is quite true; it might increase parity of wheat 2 or 3 cents a bushel, and corn a like amount. But the bill would lower the parity on wheat by 25 or 30 cents a bushel, it would lower the parity on corn, and would lower the parity on cotton by 4 cents a pound. This small amount should be restored to the parity value because, while Senators may blind themselves to it if they will, what the farmer actually pays out of pocket for labor is just as essentially a part of the parity formula as the purchase of a tractor, or the purchase of a truck, or of any other commodity the farmer may need in the planting or making of his crop.

The Senate has denied the farmer the right to take into consideration his own wages, it has denied him the right to take into consideration the labor of his children in the field with him. I implore the Senate at least to permit him to have recognition in the parity formula,

as an element of what constitutes a fair base, the labor cost he pays out of his own pocket.

Mr. President, in the great civilization in which we live today wages have advanced in all lines in the past several years. The level of industrial wages has increased some three or four times. The cost of farm labor has greatly increased. No one complains when there is a slight increase in the price of a commodity. For example, when Mr. Lewis gets a high wage rate for his coal miners, the price of coal rises a few cents a ton, and no one expects anything else. But the farmer is expected to pay the present high wages out of pocket and have the parity held down to an unfair and unjust level.

I say, Mr. President, that if we are to write a long-range farm program, it is unjust, it is unfair, it is unsound and un-American, to eliminate from the program the wages which are actually paid out of pocket by the farmer in computing what is a fair parity for the product which he has for sale.

The PRESIDENT pro tempore. The Senator's time has expired.

Mr. AIKEN. I yield to the Senator from Illinois [Mr. LUCAS].

The PRESIDENT pro tempore. The Senator from Illinois is recognized for 5 minutes.

Mr. HATCH. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I have only 5 minutes.

Mr. HATCH. I will make the question very short. I have voted with the Senator from Illinois on the previous amendments, but I have always believed the wages paid out by a farmer were a farm cost, and I wish the Senator would explain to me what the word "services" in line 5, page 72 means, and why wages paid out in cash are not included under "services."

Mr. LUCAS. Mr. President, I do not propose to discuss that question at all. I propose to answer the Senator from Georgia under the 5-minute rule.

The same arguments made a moment ago in opposition to the other amendment submitted by the Senator from Georgia are apropos to the amendment he now offers.

On page 72 of the bill, paragraph (C) reads as follows:

(C) The "parity index," as of any date, shall be the ratio of (i) the general level of prices for articles and services that farmers buy, interest on farm indebtedness secured by farm real estate, and taxes on farm real estate, for the calendar month ending last before such date to (ii) the general level of such prices, rates, and taxes during the period January 1910 to December 1914, inclusive.

Mr. President, that is the parity formula which has been in existence almost from the very beginning. Yet I recall taxes were added, and that was used as a factor in the consideration of the parity formula.

It is strange that in offering the amendment which was proposed as a complete substitute for the bill offered by the Senator from Vermont the Senator from Georgia did not see fit to change the parity formula. He was content with the amendment he offered without

any change in the parity formula whatsoever.

If the Senator was so interested in farm labor as he has contended here all along, it would have been reasonable to have proposed such a change in the parity formula and had it adopted for the period of the next 18 months.

No, Mr. President; the same old argument has been made year after year since the cost of labor has become so high. What we would be doing if we added this as a factor or a part of the equation making up the parity formula would be adding 5 percent to the present parity price. Instead of having a 90-percent parity, we would be giving the farmer a parity of 95 percent.

Mr. President, after all, I undertake to say that the farmers of America are not asking for this change; at least, the farmers of the State whence I come are not asking for it. The farmer is satisfied with the deal he has received under the present parity formula. The farmer of America is better off today than at any time in all his history, under the parity formula we have been operating through the Department of Agriculture all these years. This is no time to change it now, to cause all the administrative confusion which would result from adding the cost of hired labor. I make the same argument I made before against the amendment, and I ask that it be rejected.

The PRESIDENT pro tempore. All time on the amendment has expired, and the question is on agreeing to the amendment offered by the Senator from Georgia.

Mr. RUSSELL. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. WHERRY. I announce that the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], the Senator from Indiana [Mr. JENNER], and the Senator from Maine [Mr. WHITE] are necessarily absent. If present and voting, the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], and the Senator from Indiana [Mr. JENNER] would vote "nay."

The Senator from Oklahoma [Mr. MOORE] is detained on official business.

The Senator from California [Mr. KNOWLAND] is absent by leave of the Senate. If present and voting, the Senator from California would vote "nay."

The Senator from Massachusetts [Mr. LODGE] is necessarily absent and is paired with the Senator from Georgia [Mr. GEORGE]. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Georgia would vote "yea."

Mr. LUCAS. I announce that the Senator from Georgia [Mr. GEORGE] is absent because of a death in his family.

The Senator from Nevada [Mr. McCARRAN], the Senator from Maryland [Mr. O'CONOR], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having

been appointed a national delegate by the President to the annual conference of the International Labor Organization, meeting in San Francisco, Calif.

On this amendment I announce that the Senator from Maryland [Mr. O'CONOR] would vote "nay" if present.

I announce further that the Senator from Georgia [Mr. GEORGE], who would vote "yea," if present, is paired on this vote with the Senator from Massachusetts [Mr. LODGE], who would vote "nay," if present.

The result was announced—yeas 29, nays 53, as follows:

YEAS—29

Barkley	Hayden	Murray
Byrd	Hill	O'Daniel
Connally	Johnson, Colo.	Pepper
Downey	Johnston, S. C.	Robertson, Va.
Eastland	Langer	Russell
Eaton	McClellan	Sparkman
Ellender	McFarland	Stennis
Feazel	McKellar	Stewart
Fulbright	Magnuson	Umstead
Hatch	Maybank	

NAYS—53

Aiken	Gurney	Revercomb
Baldwin	Hawkes	Robertson, Wyo.
Ball	Hickenlooper	Saltonstall
Brewster	Hoey	Smith
Bricker	Holland	Taft
Bridges	Ives	Taylor
Brooks	Kem	Thomas, Okla.
Buck	Kilgore	Thye
Butler	Lucas	Tobey
Cain	McCarthy	Tydings
Capehart	McGrath	Vandenberg
Chavez	McMahon	Watkins
Cooper	Malone	Wherry
Cordon	Martin	Wiley
Donnell	Millikin	Williams
Dworshak	Morse	Wilson
Flanders	Myers	Young
Green	Reed	

NOT VOTING—14

Bushfield	Knowland	O'Mahoney
Capper	Lodge	Thomas, Utah
Ferguson	McCarran	Wagner
George	Moore	White
Jenner	O'Connor	

So Mr. RUSSELL's amendment lettered "I" was rejected.

The PRESIDENT pro tempore. The committee amendment, as amended, is open to further amendment.

Mr. WHERRY. Mr. President, I offer my amendment No. 2, and ask to have it stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 51, line 14, after the period, it is proposed to strike out beginning with the words "The Secretary" and the remaining lines on the page, and to insert the following:

CONSERVATION SURVEY

(d) In order to effectuate the purposes of this act the Secretary of Agriculture shall, as rapidly as practicable, make a conservation survey of the Nation's present and potential agricultural lands, and he is authorized to analyze, publish, and distribute information concerning such survey and to provide land use capability maps to landowners and operators applicable to their units of land and to assist them in interpreting and analyzing such maps. On the basis of this conservation survey, maps shall also be prepared delineating those lands suitable for cultivation, those primarily suitable for the production of forests and forest products, those primarily suitable for range livestock production, those primarily suitable for wildlife purposes, and shall specify in addition those lands potentially suitable for intensive agricultural use through irrigation, drainage, clearing, or otherwise, and this survey shall

be utilized by all agencies of the Federal Government in the development of agricultural lands within their jurisdiction.

Mr. WHERRY. Mr. President, I propose this amendment because we need an accurate inventory of our present agricultural land and our potential agricultural land. We need to know how much land we have. We need to know how much and where our land reserves are that are not now being used. We need to know what their quality is, and what and how much they would produce if it becomes necessary to use them. It is important to know how much land we have. Of the 1,142,000,000 acres of land now in farms in this country, we need to know how much of it is good, how much of it is just fair, and how much of it is poor. We should know its quality and its condition, what conservation measures and other attentions the land needs to maintain its fertility, and its productive capacity while in use.

This is a logical first step in undertaking to assure the Nation of a supply of food, fiber, and other raw materials that can come only from land that is properly used and protected. The survey proposed in this amendment would show the best use for each piece of land and it would indicate the treatment required on each farm in order to prevent erosion damage and to maintain its productivity. It is the only sound basis on which we can develop and direct any long-range agricultural program. It will be valuable for each individual farmer as he works out a soil-conservation program for his own farm and as he plans his own production year after year.

No well managed enterprise, either private or public, would try to conduct their business without this much of an inventory of its basic assets. We are spending a lot of time and hundreds of millions of dollars of public funds on various agricultural programs without an adequate inventory of the land that is basic to every agricultural program. The land is the source of most of the raw material upon which this Nation is dependent. Therefore, we have a need to obtain the essential information about the land as a basis for conserving it and as premise for planning our farm programs.

I have checked with authorities in the Department of Agriculture, and the information that I have received would indicate that it is both possible and feasible to undertake such an inventory and that it could be completed in about 5 years.

Mr. President, because of the lack of time, I ask unanimous consent that the remainder of the statement I had intended to make be printed in the RECORD.

There being no objection, the remainder of Mr. WHERRY's statement was ordered to be printed in the RECORD, as follows:

What is a conservation survey, and what features are shown? The conservation survey is a detailed record of physical land conditions on each farm. It shows variations in such features as the kind of soil, slope of the land, erosion damage, and present land use. This information is recorded on a map, usually on an aerial photograph, and shows all features of the land that affect its capa-

bility for use and its needs for management.

What is a land-use capability map? The land-use capability map is a map that shows what the land can do and what it needs for permanent production. Detailed information obtained in the conservation survey about soil, slope, erosion, and other land features is boiled down into eight classes to show specifically the land suitable for cultivation, grazing, forestry, and wildlife, and the intensity of treatment needed to protect the land.

How much land has been surveyed? Two hundred and seventy-five million acres of land have already been surveyed in this way. Other surveys that have been made will be utilized by supplementing them with additional information in order to make them adequate as a basis for developing farm and ranch conservation plans.

What will be the cost in making such a land inventory? The cost of making this farm-land inventory will be about 5 cents per acre. This cost is less than two-tenths of 1 percent of the value of farm land.

At 5 cents an acre for 1,142,000,000 acres in farms, the cost would be over \$57,000,000, but much of the land has already been surveyed—it is estimated that it will cost about \$40,000,000 to complete such a survey of all the land in farms.

Who will use the information obtained from the survey? It provides essential information about the land for making farm conservation plans on individual farms and ranches, and will provide it in time to carry out soil-conservation practices with the greatest efficiency.

The survey gives information that is essential in planning a long-range agricultural program. It would serve as a basis for determining the acreages of land suitable for specific uses and the treatment needed to protect the land in those uses.

It will provide information for flood control, drainage, irrigation, and other similar activities.

What does the individual farmer get out of this survey? The farmer gets a map of his farm that shows him the best use for each field and aids him in selecting the practices needed to protect and improve his land. Specifically, the map of each farm that the farmer gets will show field and pasture boundaries, streams, roads, building sites, the eroded or steep lands that are now in cultivation that should be put in grass or trees, the wet areas that can be improved by drainage, the location of waterways, the fields that need terracing and strip cropping, the soils that are best adapted to special crops like alfalfa, tobacco, or peanuts, etc.

What is the difference between a soil survey and a conservation survey? The soil survey classifies and maps soils showing how they differ in color, texture, structure, and other features as they occur in their natural state.

The conservation survey is a practical inventory of the land conditions on a farm-by-farm basis. It shows, in addition to the kind of soil, the amount of slope, the erosion that has occurred, and whether the land is cultivated, is in grass or trees. It provides the necessary information to plan and apply practices and measures to conserve the soil.

What is a land capability map? It is a map of a farm, colored so as to show the different kinds of land; that based on the information from the conservation survey, together with knowledge of the climate, indicates what the land needs, and what it can best produce while in continuous use.

Mr. WHERRY. Mr. President, I think the amendment should be taken to conference.

Mr. AIKEN. Mr. President, I have not read the amendment. I have not seen anything before but the heading of it. I should be willing to accept it and take

it to conference with the understanding that it does not bind the Senate conferees if there is something in it which we would otherwise oppose. I do not think there is.

Mr. WHERRY. I thank the Senator. I think the Senator will agree with me and I am satisfied the Senate conferees will agree with me, that the amendment should be included in the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. WHERRY].

The amendment to the committee amendment to the amendment was agreed to.

Mr. WHERRY. Mr. President, I now offer my amendment No. 3 and ask to have it stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

LAND SURVEYS AND DEVELOPMENT TIMETABLE

(e) Prior to the first request for an annual appropriation for purposes of this act, the Secretary of Agriculture shall prepare and submit to the Congress a preliminary land conservation and development timetable showing the current rates and extent of land damage in the United States, the dates practicable for the completion of the conservation survey, and a specification of the land treatment in his opinion deemed necessary, including estimated costs thereof. On completion and analysis of the conservation survey of the Nation's land, the Secretary of Agriculture shall revise the land conservation and development timetable accordingly and shall submit it to Congress.

Mr. WHERRY. Mr. President, this amendment simply provides a timetable for the conservation program which we have just asked the Senator from Vermont to take to conference. I think it is necessary if we are going into the conservation program. It seems to me that we should not only make an inventory of the land, but should also have some sort of timetable showing us how fast we can proceed with conservation methods. Also there ought to be some idea of whether or not we are going too fast.

Mr. President, in view of the late hour and the limitation on debate to 5 minutes to each side, I ask unanimous consent to have printed in the RECORD a statement I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I propose a conservation timetable in order that we may begin to apply some real business principles to the conservation job in the United States. Everyone agrees now that we have a conservation job to do and everyone agrees that it ought to be done right. What we have all failed to find out, so far, is just how big the job is—and how much time we have to do it in.

The way we are going now we could go on and on with these soil-conservation programs until doomsday. The way we are going now I cannot tell whether we will have the land of the country conserved by the year 2,000 or by the year 3,000. I am convinced, however, that if we keep up this unbusinesslike approach to the job we shall come face to face with the fact, one of these days, that there is not much land left to conserve.

I am convinced of another thing. The conservation job ahead of us has some size that can be determined. Maybe every last acre in the country needs conservation work. Maybe three-quarters of our land needs the work—or two-thirds. I do not know what the percentage may be, but I am sure there must be one. Only we do not know today the size of the job we are trying to deal with.

We have been going at conservation blindly. We have not only failed so far to find out how big the job is, we have failed to find out how fast we must do the job. I know that if land is wearing out fast, you can't loiter along and take 20 or 30 years to protect it. Any businessman who handled his machinery and equipment that way would be driven to the wall. On the other hand, I am sure that there is much land in the country that is not being damaged very fast. Some of it is not being damaged at all. We do not know how much of our land is being damaged fast; how much is being damaged slowly; or how much is free from damage. This is most unbusinesslike. How can we hope to deal intelligently with this highly important matter if we do not know either the size of the job or how much time we have to do it?

We ought to take steps to find out these facts. Then we ought to provide a conservation program especially designed to meet the needs—doing what needs to be done each year—and then finishing the job.

I am told that we have some preliminary information along this line. I am told that approximately one-quarter of all our crop land is being damaged at a very serious rate. The trained conservationists in the States and in the Federal Government say that this land will suffer permanent damage unless it is given sound conservation treatment within the next 10 to 15 years. They call this a critical rate.

Another quarter of our crop land, I am informed, is being damaged at a slower rate, but still fast enough to cause us grave concern. This land will suffer a permanent loss in its ability to produce unless it is given conservation protection within about 20 years.

Our conservation program should be operated on a schedule. We ought to know how much we need to do each year in order to protect the vital soil resources of the country, and then we ought to do it. With such a schedule—I call it a conservation timetable—we can go ahead with some real assurance that we are dealing effectively with the job. We can proceed with some assurance that the money we are appropriating for soil conservation is actually getting the job done—so much every year.

The conservation job in the United States can be scheduled ahead, just as businessmen schedule their operations ahead. With a conservation timetable we can get the conservation job done surely and on time. It would be the most practical and economical way of getting it done. Without a timetable we shall have to go along appropriating huge sums of money year after year, never knowing whether we are actually meeting the needs of the Nation, and indulging in a hit-or-miss flirtation with one of the most serious problems facing the country.

Mr. WHERRY. Mr. President, I ask the Senator from Vermont to accept the amendment and take it to conference and see whether or not the conferees will accept the amendment.

Mr. JOHNSON of Colorado. Mr. President, a point of information.

The PRESIDENT pro tempore. Is the Senator raising a point of order?

Mr. JOHNSON of Colorado. I wish to find out something. I wish to find out what happened to the previous amendment offered by the Senator from Ne-

braska. I did not hear the Chair say anything about it.

The PRESIDENT pro tempore. The Chair announced that it was agreed to.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. WHERRY. If I have any time left.

The PRESIDENT pro tempore. The Senator has 3 minutes.

Mr. LANGER. Will the Senator explain what is meant by a timetable?

Mr. WHERRY. I mean a schedule showing how fast we should go with conservation methods annually. I think we should go as fast as we can, but I think we should proceed over a period of years according to a timetable and make our appropriations annually on that basis to cover all the land—not too fast and not too slow. I think we are going at the program hit or miss. I think the amendment should be taken to conference to see if a timetable can be worked out.

Mr. AIKEN. Mr. President, the amendment offered by the Senator from Nebraska calls for a tremendous job on the part of the Department of Agriculture. I suppose it is a job which should be done. Whether now is the time to do it, I do not know. I am willing to take the amendment to conference. If it is left in the bill, there will still have to be an appropriation, and I doubt if it will be possible to obtain an appropriation for this purpose between now and the end of the session.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. WHERRY. If I have any time left.

The PRESIDENT pro tempore. The Senator has 1 minute.

Mr. BUTLER. I have some comments on the bill relating to the subject of conservation which I should like to have inserted in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUGH BUTLER, OF NEBRASKA, ON S. 2318

Mr. President, in my judgment it is very unfortunate that we are forced by circumstances to take action on such an important matter so late in this session and under such trying and confusing conditions. I have a fear that many of the decisions we are making may not be wise decisions. This is a very complicated bill. It will have far-reaching effects on every farmer in the country. It deserves more careful and extended consideration than it is receiving.

Thus far, almost all the debate has centered around the new parity formula and the new proposals for price supports contained in the bill. Yet these provisions relating to farm prices are not the only important changes provided for in the bill. In titles I and II of the bill, a wholesale reorganization of the administrative agencies handling the agricultural program is provided. These titles would have far-reaching effects on the administration of the soil-conservation program, on the payments for conservation practices, and on other programs, if these should be enacted in their present form. Yet they have received almost no discussion during the course of the debate. There is real danger that they may be enacted into law without any real consideration by the Congress.

I do not believe such far-reaching changes in the organization of the Department should be enacted at the present time without much more thorough consideration by the Congress. In fact, I have considered preparing an amendment or amendments striking out all those sections of the bill which would reorganize the administrative framework for the programs. I finally decided not to offer such amendments at this time, since I realize it would be out of the question to ask the Senate to give them detailed consideration at this late hour. In any case, I feel fairly confident that the House will refuse even to consider these proposed administrative changes. Before the final vote is taken, however, I want to record a protest against these changes in the conservation program and other programs, so that it cannot be said there was no opposition to them.

Mr. President, very briefly I want to mention at least a few reasons why I believe this wholesale revision of the conservation program would be most unwise. First of all, we have not had time to give the implications of the new plan fair consideration. I believe that is obvious. We should not attempt to reshuffle the principal bureaus of the Department of Agriculture, the State and County Committees, and all the rest of the Department without giving very careful thought to every aspect of the proposed change.

Second, we already have at work a Commission—the Hoover Commission—which has been hard at work for some time on a general investigation and study of the organization of the entire Government, with a view to recommending changes and improvements in our methods of operation. I understand that the Hoover Commission is going very thoroughly into the various problems of the organization and administration of the farm programs. It seems that it would be foolish to try to legislate such changes at this time, when the Hoover Commission, early next year, may report recommendations along entirely different lines. I believe I am just as well aware of the need for certain changes in the methods of conducting these programs as are the sponsors of this bill. I do not believe, however, that this is the time or the way to make those changes.

Third, the effect of this bill apparently will be to place control over the soil-conservation program in the hands of county and State committees, rather than in the hands of the soil-conservation districts. I do not believe that would be wise. I am not sure it would even be practical. The sponsors of the bill seem to forget that the soil-conservation districts were authorized and created by action of each of the 48 States. This district set-up should not be wiped out, as proposed in this act. It is doing an excellent job for conservation at the present time. Personally, I do not see why the soil-conservation districts should be changed at all. They are one of the most successful elements of our agricultural program.

There are other reasons why no such drastic organizational changes should be made at this time. I will not try to give them in detail. I hope I have said enough to show why this proposal should not be rushed through in such a hasty fashion. I sincerely hope that the House will refuse to be stampeded in this matter, and will insist that these questions be put over for more thorough study.

The PRESIDENT pro tempore. All time has expired.

The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. WHERRY] to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The committee amendment is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill (S. 2318) was ordered to be engrossed for a third reading and was read the third time.

Mr. AIKEN. Mr. President, in order to expedite the legislative process, I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of House bill 6248, which is the stopgap bill which was passed by the House; that the Senate proceed to the consideration of House bill 6248; and that the House bill be amended by striking out all after the enacting clause and inserting in lieu thereof the language of Senate bill 2318, as amended, the bill which has just gone to a third reading.

The PRESIDENT pro tempore. Without objection, the Committee on Agriculture and Forestry will be discharged from the further consideration of House bill 6248, a bill to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

Is there objection to the present consideration of House bill 6248?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDENT pro tempore. Without objection, House bill 6248 will be amended by striking out all after the enacting clause and inserting the text of Senate bill 2318 as amended.

The amendment is as follows:

Be it enacted, tc.: That this act may be cited as the "Agricultural Act of 1948".

DECLARATION OF POLICY

SEC. 2. It is hereby recognized that a sound national economy requires that each segment of the population be maintained as an efficient producer and a constant consumer of goods and services, and it is hereby declared to be the policy of Congress to provide for a coordinated program, to be administered by the Secretary of Agriculture in cooperation with agencies in the several States, and designed—

(1) to restore, develop, conserve, and wisely use our basic resources of soil, water, forests, and wildlife habitat in order to assure an abundant production of all agricultural products necessary for the general well-being of all our people;

(2) to develop a means of supporting agricultural income on a flexible basis relative to prices and production so as to foster desirable shifts in agricultural production and aid in stabilizing the national economy;

(3) to improve methods of marketing, facilitate distribution, and increase utilization of agricultural commodities in both domestic and foreign markets;

(4) to regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, rice, and peanuts to the extent necessary to provide an orderly, adequate, and balanced flow of such commodities in interstate and foreign trade through price support, marketing

quotas, diversion to various economic uses, and other means;

(5) to assist consumers in obtaining adequate and steady supplies of high-quality farm products at fair and equitable prices;

(6) to assist low-income families and school children in maintaining an adequate diet, particularly in periods of underconsumption and unemployment;

(7) to obtain full cooperation and coordinated action of land operators living on the farms in restoring, developing, conserving, and wisely using our basic resources of soil, water, forests, and wildlife habitat;

(8) to provide more adequately for the coordination and expansion of Federal and State soil surveys and other investigations, experimentation, and research pertaining to the conservation, restoration, and development of our natural agricultural resources, and for the publication of the results of such studies;

(9) to assure that payments to farmers in each State for soil-conservation practices shall be made only for practices approved by the Secretary of the United States Department of Agriculture upon the recommendation of the State agricultural council (hereinafter provided for);

(10) to provide for the fullest development and the most efficient employment of rural human resources;

(11) to provide more fully for adult education through cooperative agricultural extension work as the recognized educational and demonstrational medium for reaching farm people and others in regard to agricultural information, policies, and programs;

(12) to provide for the full development of personal initiative and local responsibility in the development and administration of programs for the maintenance of a progressive agriculture;

(13) to provide for the adaptation of agricultural programs to the different and changing needs of regional and local communities;

(14) to encourage producers, processors, and distributors to enter into marketing agreements for the supplying of adequate quantities of selected farm products at a reasonable and assured price;

(15) to continue the use of certain revenues and funds for judicious support of prices of highly perishable products, including fresh fruits, vegetables, milk, and eggs, in facilitating distribution of such products for diet improvement of low-income families and school children, in stimulating improved nutrition, and in encouraging the exportation of such products; and

(16) to assist in the retention of foreign outlets in order to (a) maintain long-run export demands, (b) prevent short-run demoralization of domestic markets, and (c) maintain productive capacity sufficient to satisfy expected long-run domestic markets plus foreign demand for agricultural products.

TITLE I—REORGANIZATION

DECENTRALIZATION OF FUNCTIONS

SEC. 101. The Secretary of Agriculture (hereinafter called the "Secretary") shall establish an agency, to be known as the "Bureau of Agricultural Conservation and Improvement," to exercise all functions of the Secretary and of the various bureaus and agencies within the Department of Agriculture which (1), prior to the enactment of this act, were assigned to the Soil Conservation Service or to the Agricultural Conservation Programs Branch of the Production and Marketing Administration, or (2) the Secretary deems to be principally related to soil conservation and improvement or to those aspects of programs of the Department of Agriculture which require direct dealings by the Department with farmers; except that, subject to the supervision and direction of the Secretary—

(a) the educational, informational, and demonstrational features of such functions shall be exercised, in the several States, Alaska, Hawaii, and Puerto Rico, through the Extension Service of the United States Department of Agriculture in cooperation with the agencies performing cooperative agricultural extension work;

(b) the research and investigational features of such functions shall be exercised in the several States, Alaska, Hawaii, and Puerto Rico through the agricultural experiment stations in cooperation with the Secretary acting through the Office of Experiment Stations; and

(c) such functions, except as provided by clauses (a) and (b) of this section, shall within the continental United States be performed at State and county levels, insofar as the Secretary may deem practicable, by the State agricultural councils, the county and community agricultural program committees, and the county agricultural program executive committees, all hereinafter provided for.

Except as provided in clauses (a) and (b) of this section, the furnishing of technical assistance, and machinery and equipment to soil-conservation districts and others, as heretofore performed by the Soil Conservation Service, shall be performed by the Bureau of Agricultural Conservation and Improvement in cooperation with the State agricultural councils established pursuant to this act and the soil-conservation districts established by State laws. The functions assigned pursuant to this section to the State agricultural councils and the agencies performing cooperative agricultural extension work shall be closely coordinated by the secretary and by such councils and agencies.

Conservation survey

(d) In order to effectuate the purposes of this act, the Secretary of Agriculture shall, as rapidly as practicable, make a conservation survey of the Nation's present and potential agricultural lands, and he is authorized to analyze, publish, and distribute information concerning such survey and to provide land use capability maps to landowners and operators applicable to their units of land and to assist them in interpreting and analyzing such maps. On the basis of this conservation survey, maps shall also be prepared delineating those lands suitable for cultivation, those primarily suitable for the production of forests and forest products, those primarily suitable for range livestock production, those primarily suitable for wildlife purposes, and shall specify in addition those lands potentially suitable for intensive agricultural use through irrigation, drainage, clearing, or otherwise, and this survey shall be utilized by all agencies of the Federal Government in the development of agricultural lands within their jurisdiction.

Land conservation and development timetable

(e) Prior to the first request for an annual appropriation for purposes of this act, the Secretary of Agriculture shall prepare and submit to the Congress a preliminary land conservation and development timetable, showing the current rates and extent of land damage to the United States, the dates practicable for the completion of the conservation survey, and a specification of the land treatment in his opinion deemed necessary, including estimated costs thereof. On completion and analysis of the conservation survey of the Nation's land, the Secretary of Agriculture shall revise the land conservation and development timetable accordingly and shall submit it to Congress.

APPROPRIATIONS AVAILABLE FOR FUNCTIONS TO BE PERFORMED AS COOPERATIVE EXTENSION WORK

SEC. 102. (a) (A) Any sums hereafter appropriated, other than as grants-in-aid, and available for functions which the Secretary

determines to be functions required by section 101 (a) of this act to be exercised through the Extension Service and cooperating agencies in the several States and the Territory of Hawaii, to the extent that such funds are available at the time the Secretary makes such determination, and (B) any sums appropriated specifically for functions covered by section 101 (a), shall be paid to the several States and the Territory of Hawaii in the same manner and subject to the same conditions and limitations as the additional sums appropriated under the act entitled "An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act of Congress approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture," approved May 8, 1914 (U. S. C., title 7, secs. 341-343, 344-348), except that—

(1) not more than 2 per centum of the sums so appropriated and available in each fiscal year shall be available for paying expenses of the Extension Service of the United States Department of Agriculture; and

(2) the remainder of the sums so appropriated and available in each fiscal year shall be paid to the several States and the Territory of Hawaii, without any requirement that equal sums be provided from any other sources, in the same proportions as the sums appropriated for such fiscal year pursuant to section 23 of the act entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges," approved June 29, 1935, as amended (U. S. C., title 7, sec. 343d-1).

(b) The sums paid pursuant to this section shall be in addition to and not in substitution for sums appropriated under such act of May 8, 1914, as amended and supplemented, or sums otherwise appropriated for agricultural extension work. Allotments to any State or the Territory of Hawaii for any fiscal year as provided by this section shall be available for payment to such State or the Territory of Hawaii only if such State or the Territory of Hawaii complies, for such fiscal year, with the provisions with reference to offset of appropriations (other than appropriated funds allotted pursuant to this section) for agricultural extension work.

DIVISION OF SOIL CONSERVATION AND IMPROVEMENT

SEC. 103. The Secretary shall establish within the Office of Experiment Stations an organizational unit to carry out the functions assigned to him by section 101 (b) of this act. Not more than 5 percent of any Federal funds made available for research projects supervised by such organizational unit shall be available for its expenses.

APPROPRIATIONS AVAILABLE FOR FUNCTIONS TRANSFERRED TO EXPERIMENT STATIONS

SEC. 104. The Secretary is authorized to make available from any funds heretofore or hereafter appropriated, other than as grants-in-aid, for functions which pursuant to section 101 (b) are to be exercised through the agricultural experiment stations in the several States, Alaska, Hawaii, and Puerto Rico such sums as he may deem appropriate for allotment to such agricultural experiment stations. The sums so allotted shall be in addition to and not in substitution for sums otherwise appropriated for the work of such agricultural experiment stations.

COMMUNITY, COUNTY, AND STATE AGRICULTURAL COMMITTEES AND COUNCILS

Community agricultural program committees

SEC. 105. The farm operators within each local administrative area of the continental United States hereinafter provided for shall elect annually from among their number (1)

three members of a community agricultural program committee, designating one of such members to be chairman, and (2) first and second alternates. In any county in which only one such area is situated five members and two alternates shall be elected for the community agricultural program committee for such area. Vacancies occurring in the membership of the committee between annual elections shall be filled for the unexpired terms by the first and second alternates in that order, or if there are no alternates available, by an election by the farm operators. Vacancies occurring in the chairmanship of the committee between annual elections shall be filled for the unexpired term by election by the committee from among its members. No member shall be elected for four full consecutive terms. The committee shall perform within its area the function assigned to it pursuant to section 101 (c) of this act and such other functions as the Secretary may assign to it. The local administrative areas designated by the Secretary and serving on the date of enactment of this act as units for administration of programs under section 8 of the Soil Conservation and Domestic Allotment Act shall serve as local administrative areas for the purposes of this section, but each county agricultural program committee may, with the approval of the State agricultural council, from time to time designate different local administrative areas within its county for the purposes of this section.

County agricultural program committees

SEC. 106. In each county there shall be a county agricultural program committee consisting of—

(1) the members of the community agricultural program committees in the county;

(2) the agricultural extension agent for the county, who shall have no vote; and

(3) one representative designated by each of such agencies concerned with soil conservation, grass conservation, drainage, irrigation or other agricultural interests as the State agricultural council may specify, but the number of agencies so specified shall be at least one less than the number of members provided for by clause (1).

The county agricultural program committee shall perform within its county the functions assigned to it pursuant to section 101 (c) of this act and such other functions as the Secretary may assign to it. It shall meet at such times as it may specify, or upon call of the chairman of the county agricultural program executive committee for its county.

County agricultural program executive committees

SEC. 107. The elected members of each county agricultural program committee shall elect annually from among their number (1) not less than three and not more than five, as determined by the State agricultural council, members of a county agricultural program executive committee, designating one of such members to be chairman, one to be vice chairman, and one to be secretary, of such executive committee, and (2) first and second alternates. Vacancies occurring among the members of such executive committee between annual elections shall be filled for the unexpired terms by the first and second alternates in that order, or, if there are no alternates available, by election from among their number by the elected members of the county agricultural program committee, and at such election first and second alternates again shall be elected. Vacancies in the offices of chairman, vice chairman, and secretary occurring between annual elections shall be filled for the unexpired terms by election by such executive committee from among its members. No member shall be elected for four full consecutive terms. The executive committee shall, through personnel employed by it, perform within the county the functions as-

signed to it pursuant to section 101 (c) of this Act and such other functions as the Secretary may assign to it.

State agricultural councils

SEC. 108. (a) For each State of the United States there shall be a State agricultural council consisting of the ex officio members hereinafter specified who shall have no vote, four farmer members, and as many additional farmer members as may be specified in accordance with the provisions of this section; but the number of additional farmer members so specified shall not exceed the greater of (1) two, or (2) one for each full 20 counties in the State, plus and if the number of counties in the State is not evenly divisible by 20 and exceeds by more than 10 the multiple of 20 which it least exceeds. The Commissioner (or Secretary or Director, as the case may be) of Agriculture, or his designee, the Director of the Agricultural Experiment Station, or his designee, and the Director of the Agricultural Extension Service, or his designee, for such State shall be the ex officio members.

(b) The farmer members shall be appointed by the Secretary from among farmers nominated, by majority vote, by the chairmen of the county agricultural program executive committees of the State, three nominations being submitted for each appointment to be made. Not more than two of the three nominations for any appointment shall be from among the number of such chairmen. The farmer members first appointed after the enactment of this Act shall be appointed for three-, two-, and one-year terms in as nearly equal groups as may be possible; and their successors shall be appointed for three-year terms. Farmer members shall be subject to removal by the Secretary at any time. Vacancies occurring among the farmer members shall be filled for the unexpired terms by appointment by the Secretary from among the farmers nominated, but not appointed, at the time of the last regular appointment prior to the occurrence of such vacancies. No farmer member shall be appointed for any term which, with any previous periods of service by him as such a member, would exceed five years during any six-year period.

(c) The number of additional farmer members, if any (not exceeding the maximum number prescribed by the first sentence of this section), to be appointed first after the enactment of this Act shall be specified by the ex officio members of the State agricultural council. The number of additional farmer members thereafter to be appointed shall be specified by the State agricultural council. Should the number of additional farmer members at any time be increased as provided by this section, the additional farmer members so added shall be appointed for such terms that the number of terms expiring in succeeding years shall, as nearly as may be possible, be equal. Any decrease, as provided by this section, in the number of additional farmer members shall be made by allowing terms to expire without appointing successors in such manner that the number of terms expiring annually after the decrease has been completed shall, as nearly as may be possible, be equal.

(d) The State agricultural council shall develop plans to effectuate the purposes of section 7 of the Soil Conservation and Domestic Allotment Act in its State, shall perform the functions assigned to it pursuant to section 101 (c) of this Act and such other functions within its State as the Secretary may assign to it, shall supervise and direct the work of the county agricultural program and executive committees in its State, and shall otherwise cooperate with the Secretary in the planning and carrying out of soil-conservation programs in its State. It shall elect from among its number a chairman, vice chairman, and secretary, shall employ, on an

annual basis, a State administrator, and may employ such other personnel as it may deem necessary to carry out its functions. In carrying out the functions assigned to it, and subject to the approval of the Secretary, it may enter into arrangements with (1) the Agricultural Extension Service in its State for the conduct of educational and demonstrational programs, and (2) State agricultural councils of other States for cooperation on matters of mutual interest. Federal grants-in-aid for programs administered by the State agricultural council shall be disbursed by the appropriate agency of the State only pursuant to direction by the State agricultural council. Any grants-in-aid or other funds allocated to a State for programs administered by the State agricultural council may be withheld or recalled by the Secretary if he determines that such council is not faithfully administering the programs assigned to it.

Administrative expenses

SEC. 109. The Secretary is authorized and directed, from any funds made available for the purposes of the acts in connection with which State agricultural councils, county or community agricultural program committees, or county agricultural program executive committees may be utilized, to make payments to such councils or committees to cover the estimated administrative expenses incurred or to be incurred by them in carrying out the functions assigned to them under such acts. All or part of such administrative expenses of any such council or committee may be deducted pro rata from the Soil Conservation Act payments, parity payments, or loans, or other payments or grants-in-aid under such acts, unless payment of such expenses is otherwise provided by law. The Secretary may make such payments in advance of determination of performance. The administrative expenses covered by such payments shall not include compensation for services of members of State agricultural councils and of community and county agricultural program and executive committees except (subject to approval by the Secretary) as follows:

(a) Each farmer member of a State agricultural council shall be entitled to compensation, at such rates as may be fixed by the Secretary, for time actually spent by him in the work of the council pursuant to its direction; and

(b) Each member of a county agricultural program executive committee shall be entitled to compensation, at such rate as may be fixed by the appropriate State agricultural council, for time actually spent by him in the work of the committee pursuant to its direction and subject to the approval of the State agricultural council.

Subject to such limitations as the Secretary may prescribe, such council and committee members shall also be entitled to their reasonable expenses incurred in serving as such members. No such member shall, out of any amounts paid by the Secretary, be paid for performing any services in addition to his services as member for any such council or committee, but a member may resign as member in order to accept employment by a council or committee, and a member of a community agricultural program committee may be paid for services performed at the request of the county agricultural program, or executive committee, or the State agricultural council. The Secretary shall make such regulations as are necessary relating to the selection and exercise of the functions of such councils and committees, respectively. A county agricultural program executive committee may, except as may be disapproved by the Secretary, accept, in addition to the amounts paid to it by the Secretary, funds from other public agencies to be utilized for agricultural purposes.

Membership limited to one council or committee

SEC. 110. No person shall be a member of more than one council or executive committee established pursuant to this act. Appointment of any chairman of a county agricultural program executive committee to be a member of a State agricultural council shall cause the offices he holds as a member of a community agricultural program committee, a county agricultural program committee, and a county agricultural program executive committee to become vacant.

TITLE II—AMENDMENTS TO SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

UTILIZATION OF LOCAL ORGANIZATIONS IN STATE PLANS

SEC. 201. Section 7 (d) of the Soil Conservation and Domestic Allotment Act is amended by inserting at the end thereof the following:

"No such plan submitted by a State of the United States shall be approved by the Secretary, except upon the recommendation of the State agricultural council created pursuant to the Agricultural Act of 1948; and unless by its terms such plan provides—

"(A) that any sum to be allocated by the Secretary to carry out the plan shall be disbursed by the appropriate agency of the State only pursuant to direction by the State agricultural council, and

"(B) that (i) the State agricultural council, and (ii) the community and county agricultural program committees and county agricultural program executive committees created pursuant to the Agricultural Act of 1948, shall, respectively, if authorized by the State, be administering and participating agencies as provided in clauses (1) and (2) of this subsection".

EXTENSION OF NATIONAL-PAYMENT PROGRAMS

SEC. 202. Section 8 (a), as amended, of the Soil Conservation and Domestic Allotment Act is amended (a) by striking out "January 1, 1949" wherever appearing therein and inserting in lieu thereof "January 1, 1951", and (b) by striking out "December 31, 1948" and inserting in lieu thereof "December 31, 1950."

UTILIZATION OF LOCAL ORGANIZATIONS IN NATIONAL PROGRAMS

SEC. 203. Section 8 (b) of the Soil Conservation and Domestic Allotment Act is amended to read as follows:

"(b) Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary upon the recommendation of the respective State agricultural councils to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land, including the development of suitable wildlife habitat in carrying out the purposes of section 1 of the act of August 14, 1946 (60 Stat. 1080); (3) their equitable share as determined by the Secretary, of the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the national production of any commodity or commodities required for domestic consumption and exports adjusted to reflect the extent to which their utilization of cropland on the farm conforms to farming practices which the Secretary determines will best effectuate the purposes specified in section 7 (a); or

(5) any combination of the above. In arid or semiarid sections, (1) and (2) above shall be constructed to cover water conservation and the beneficial use of water on individual farms, including measures to prevent runoff, the building of check dams and ponds, and providing facilities for applying water to the land. In determining the amount of any payment or grant measured by (1) or (2) the Secretary shall take into consideration the productivity of the land affected by the farming practices adopted during the year with respect to which such payment is made. In carrying out the provisions of this section in the continental United States, the Secretary is directed to utilize the State agricultural councils and community and county agricultural program committees and executive committees created pursuant to the Agricultural Act of 1948. In carrying out the provisions of this section, the Secretary shall, as far as practicable, protect the interests of tenants and sharecroppers; is authorized to utilize the agricultural extension service and other approved agencies; shall accord such recognition and encouragement to producer-owned and producer-controlled cooperative association as will be in harmony with the policy toward cooperative associations set forth in existing acts of Congress and as will tend to promote efficient methods of marketing and distribution; shall not have power to acquire any land or any right or interest therein; shall, in every practicable manner, protect the interests of small producers; and shall in every practical way encourage and provide for soil-conserving and soil-rebuilding practices rather than the growing of soil-depleting crops. Rules and regulations governing payments or grants under this subsection shall be as simple and direct as possible, and, wherever practicable, they shall be classified on two bases: (a) Soil-depleting crops and practices, (b) soil-building crops and practices. Notwithstanding any other provision of law in making available conservation materials consisting of seeds, seed inoculants, fertilizers, liming and other soil-conditioning materials, trees, or plants, or in making available soil-conserving or soil-building services, to agricultural producers under this subsection, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or covering soil-conserving or soil-building services, furnished to producers at not to exceed a fair price fixed in accordance with regulations to be prescribed by the Secretary, or who render services to the Secretary in delivering to producers approved conservation materials, for the carrying out, by the producers, of soil-building or soil-conserving practices approved by the Secretary.

"Appropriations are hereby authorized for the purchase in advance of the program year for which the appropriation is made of seeds, fertilizers, lime, trees, or other plants, or any other farming materials or any services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary in programs under this act, as amended; for the reimbursement of any Federal, State, or local government agency for fertilizers, seeds, lime, trees, or other plants, or other farming materials, or any services, furnished by such agency; and for the payment of all expenses necessary in making such grants, including all or part of the cost incident to the delivery thereof."

SEC. 204. The Soil Conservation and Domestic Allotment Act is amended—

(a) By striking out the first word of section 8 (e) and inserting in lieu thereof "Subject to the provisions of section 18 of this act, payments";

(b) By striking out the proviso contained in section 8 (e); and

(c) By adding at the end thereof the following new section:

"SEC. 18. Payments or grants of aid to farmers in any State, under a State plan or by the Secretary, for soil-building or soil-conserving practices shall be—

"(a) made only for such practices as may be approved by the Secretary upon the recommendation of the State agricultural council;

"(b) made, except with respect to farms designated as demonstration or experimental farms, only for practices which the Secretary, upon the recommendation of the State agricultural council, determines have long-term conservation and improvement value; and

"(c) divided among the landlords, tenants, and sharecroppers of any farm, with respect to which such payments are made, on the basis of relative value of their contributions to such practices in such manner as may be provided by the Secretary upon the recommendation of the State agricultural council.

"Beginning with the calendar year 1949, the total payments for any year to any person, under all State plans and otherwise under this act, not including payments made with respect to demonstration or experimental farms, shall not exceed \$1,000; but programs under this act may provide that, at the election of the owner of any farm, soil conservation or improvement practices taken with respect to such farm in any year which have long-term effect may form the basis for payments in such year and not to exceed the succeeding 4 years with respect to such farm."

SEC. 205. Section 11 of the Soil Conservation and Domestic Allotment Act is amended to read as follows:

"SEC. 11. All funds available for carrying out this act shall be available for allotment to the bureaus and offices of the Department of Agriculture and for transfer to such other agencies of the Federal or State Governments as the Secretary may request to cooperate or assist in carrying out this act, and for payments to State agricultural councils or county or community agricultural program committees or executive committees to cover the estimated administrative expenses to be incurred by any such council or committee in cooperating in carrying out this act: *Provided*, That the Secretary may prescribe that all or part of such estimated expenses of any such council or committee may be deducted pro rata from the payments or grants made to the members thereof: *And provided further*, That the Secretary may make such payments in advance of determination of performance."

TITLE III—AMENDMENTS TO THE AGRICULTURAL ADJUSTMENT ACT OF 1938

DEFINITIONS OF "PARITY PRICE," "CARRY-OVER," "NORMAL SUPPLY," AND "TOTAL SUPPLY"

SEC. 301. Section 301 of the Agricultural Adjustment Act of 1938 is amended—

(a) By striking out paragraphs (1) and (2) of subsection (a) and inserting in lieu thereof the following:

"(1) (A) The 'parity price' for any agricultural commodity, as of any date, shall be determined by multiplying the adjusted base price of such commodity as of such date by the parity index as of such date.

"(B) The 'adjusted base price' of any agricultural commodity, as of any date, shall be (i) the average of the prices received by farmers for such commodity, at such times as the Secretary may select during each year of the 10-year period ending on the 31st of December last before such date, or during each marketing season beginning in such period if the Secretary determines use of a calendar-year basis to be impracticable, divided by (ii) the ratio of the general level of prices received by farmers for agricultural commodities during such period to the general level of prices received by farmers for agricultural commodities during the period January 1910 to December 1914, inclusive.

"(C) The 'parity index,' as of any date, shall be the ratio of (i) the general level of prices for articles and services that farmers

buy, interest on farm indebtedness secured by farm real estate, and taxes on farm real estate, for the calendar month ending last before such date to (ii) the general level of such prices, rates, and taxes during the period January 1910 to December 1914, inclusive.

"(D) The prices and indices provided for herein, and the data used in computing them, shall be determined by the Secretary, whose determination shall be final.

"(E) Notwithstanding the provisions of subparagraph (A), the transitional parity price for any agricultural commodity, computed as provided in this subparagraph, shall be used as the parity price for such commodity until such date after January 1, 1949, as such transitional parity price may be lower than the parity price, computed as provided in subparagraph (A), for such commodity. The transitional parity price for any agricultural commodity as of any date shall be—

"(i) its parity price determined in the manner used prior to the effective date of the Agricultural Act of 1948, less

"(ii) five percent of the parity price so determined multiplied by the number of full calendar years which, as of such date, have elapsed after January 1, 1948.

"(F) Notwithstanding the provisions of subparagraph (A) and (E), if the parity price for any agricultural commodity, computed as provided in subparagraphs (A) and (E) appears to be seriously out of line with the parity prices of other agricultural commodities, the Secretary may, and upon the request of a substantial number of interested producers shall, hold public hearings to determine the proper relationship between the parity price of such commodity and the parity prices of other agricultural commodities. Within 60 days after commencing such hearing the Secretary shall complete such hearing, proclaim his findings as to whether the facts require a revision of the method of computing the parity price of such commodity, and put into effect any revision so found to be required.

"(2) 'Parity,' as applied to income, shall be that gross income from agriculture which will provide the farm operator and his family with opportunities for living equivalent to those afforded persons dependent upon other gainful occupation. 'Parity' as applied to income from any agricultural commodity for any year, shall be that gross income which bears the same relationship to parity income from agriculture for such year as the average gross income from such commodity for the preceding 10 calendar years bears to the average gross income from agriculture for such 10 calendar years."

(b) By amending paragraph (3) (A) of subsection (b) to read as follows:

"(A) 'Carry-over,' in the case of corn, rice, and peanuts for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, not including any quantity which was produced in the United States during the calendar year then current."

(c) By amending paragraph (3) (B) of subsection (b) to read as follows:

"(B) 'Carry-over' of cotton for any marketing year shall be quantity of cotton on hand within the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current, plus the quantity on hand within the United States at the beginning of such marketing year which was produced outside the United States."

(d) By striking out paragraph (10) of subsection (b) and inserting in lieu thereof the following:

"(10) (A) 'Normal supply' in the case of corn, cotton, rice, wheat, and peanuts for any marketing year shall be (i) the estimated domestic consumption of the commodity for the marketing year ending immediately prior

to the marketing year for which normal supply is being determined, plus (ii) the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus (iii) an allowance for carry-over. The allowance for carry-over shall be the following percentage of the sum of the consumption and exports used in computing normal supply: 7 percent in the case of corn; 30 percent in the case of cotton; 10 percent in the case of rice; 15 percent in the case of wheat; and 15 percent in the case of peanuts. In determining normal supply the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary.

"(B) 'Normal supply' in the case of tobacco shall be a normal year's domestic consumption and exports, plus 175 percent of a normal year's domestic consumption and 65 percent of a normal year's exports as an allowance for a normal carry-over."

(e) By amending paragraph (16) of subsection (b) to read as follows:

"(A) 'Total supply' of cotton, wheat, corn, rice, and peanuts for any marketing year shall be the carry-over of the commodity for such marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year.

"(B) 'Total supply' of tobacco for any marketing year shall be the carry-over at the beginning of such marketing year plus the estimated production thereof in the United States during the calendar year in which such marketing year begins, except that the estimated production of type-46 tobacco during the marketing year with respect to which the determination is being made shall be used in lieu of the estimated production of such type during the calendar year in which such marketing year begins in determining the total supply of cigar filler and cigar binder tobacco."

PRICE SUPPORT

SEC. 302. (a) Section 302 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"Sec. 302. (a) The Secretary, through the Commodity Credit Corporation (except as provided in subsection (c)) and other means available to him, is authorized to support prices of agricultural commodities to producers through loans, purchases, payments, and other operations. Except as otherwise provided in this section, the amounts, terms, and conditions of such price-support operations, and the extent to which such operations are carried out, shall, in the case of operations carried out by Commodity Credit Corporation, be determined by the Corporation with the approval and subject to the direction of the Secretary, and, in the case of operations carried out by other means, be determined by the Secretary. In making such determinations, consideration shall be given to (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported, (3) the availability of funds, (4) the perishability of the commodity, (5) its importance to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price-support operation, (7) the need for offsetting temporary losses of export markets, and (8) the ability and willingness of producers to keep supplies in line with demand. Compliance by the producer with acreage allotments, production goals, and marketing practices prescribed by the Secretary may be required as a condition of eligibility for price support. The Secretary shall in all cases give consideration to the practicability of supporting prices indirectly, as by the development of improved merchandising methods, rather than directly by purchase or loan.

"(b) (1) Price support shall be made available to producers of any basic agricultural commodity at levels determined as hereinafter provided in this subsection. On the basis of the latest available statistics of the Department of Agriculture as of the beginning of each marketing year for each such basic agricultural commodity, the Secretary shall, with respect to such marketing year and such basic agricultural commodity—

"(i) estimate the total supply;

"(ii) determine the normal supply; and

"(iii) determine the percentage which the estimated total supply is of the normal supply (such percentage being referred to herein as the 'supply percentage').

"(2) The level at which the price of such basic agricultural commodity for such marketing year shall be supported for cooperators (other than cooperators outside the commercial corn-producing area, in the case of corn) shall not exceed 90 percent of the parity price of such commodity as of the beginning of the marketing year or be less than the percentage of its parity price as of the beginning of such marketing year determined from the following table:

The level of support shall be not less than the following percentage of the parity price:	
"If the supply percentage is:	
Not more than 70-----	90
More than 70 but not more than 72--	89
More than 72 but not more than 74--	88
More than 74 but not more than 76--	87
More than 76 but not more than 78--	86
More than 78 but not more than 80--	85
More than 80 but not more than 82--	84
More than 82 but not more than 84--	83
More than 84 but not more than 86--	82
More than 86 but not more than 88--	81
More than 88 but not more than 90--	80
More than 90 but not more than 92--	79
More than 92 but not more than 94--	78
More than 94 but not more than 96--	77
More than 96 but not more than 98--	76
More than 98 but not more than 102--	75
More than 102 but not more than 104-----	74
More than 104 but not more than 106-----	73
More than 106 but not more than 108-----	72
More than 108 but not more than 110-----	71
More than 110 but not more than 112-----	70
More than 112 but not more than 114-----	69
More than 114 but not more than 116-----	68
More than 116 but not more than 118-----	67
More than 118 but not more than 120-----	66
More than 120 but not more than 122-----	65
More than 122 but not more than 124-----	64
More than 124 but not more than 126-----	63
More than 126 but not more than 128-----	62
More than 128 but not more than 130-----	61
More than 130-----	60

"(3) Notwithstanding the foregoing provisions of this section—

"(A) the minimum level of price support to cooperators for any basic agricultural commodity shall be 120 percent of the minimum level determined from the foregoing table, if acreage allotments are in effect at the beginning of the planting season for such commodity, or if marketing quotas are in effect at the beginning of the marketing year for such commodity; but in no case shall the level of price support for any commodity be increased thereby above 90 percent of its parity

price as of the beginning of the marketing year; and

"(B) the level of price support for any basic agricultural commodity normally marketed in any marketing year with respect to which marketing quotas have been disapproved by producers shall be 50 percent of the parity price of such commodity as of the beginning of such marketing year.

"(4) The level at which the price of corn shall be supported for cooperators outside the commercial corn-producing area shall be 75 percent of the level at which the price is supported for cooperators in the commercial corn-producing area with respect to corn.

"(5) Notwithstanding the foregoing provisions of this section, the level of price support to cooperators for any crop of tobacco for which marketing quotas are in effect shall be 90 percent of its parity price as of the beginning of the marketing year.

"(c) The support price for any nonbasic agricultural commodity shall not exceed 90 percent of the parity price for the commodity as of the beginning of the marketing year or season in the case of a commodity marketed on a marketing-year or seasonal basis, and as of January 1 in the case of any other commodity. Any price-support operation undertaken with respect to either turkeys or chickens shall be applicable to all chickens, including broilers, appropriate adjustments being made as provided in subsection (e) of this section: *Provided*, That if any price-support operation is undertaken with respect to either chickens or turkeys, the same parity price-support operation shall be undertaken with respect to ducks and ducklings and other poultry. The price of wool shall be supported at such level, not in excess of 90 percent nor less than 60 percent of its parity price as of January 1, as the Secretary may consider necessary in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool. The price of any kind of Irish potatoes harvested after December 31, 1948, shall be supported at not less than 60 percent nor more than 90 percent of the parity price for Irish potatoes as of the beginning of the marketing season. The Commodity Credit Corporation shall not carry out any operation to support the price of any nonbasic agricultural commodity (other than Irish potatoes) which is so perishable in nature as not to be reasonably storable without excessive loss or excessive cost, but any such operation may be carried out by the Secretary through other means available to him such as those provided by section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended: *Provided*, That the foregoing provisions shall not be construed to prohibit the Commodity Credit Corporation from supporting the price of any perishable nonbasic agricultural commodity by a loan, purchase, payment, or other operation undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity: *Provided further*, That the Secretary in carrying out programs with respect to perishable and non-perishable commodities under section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act, may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract) and make advance payments to it: *And provided further*, That in any fiscal year, if at the end of the preceding fiscal year the sums appropriated under said section 32 and remaining unexpended do not exceed \$300,000,000, Commodity Credit Corporation may, as provided in section 302 (a) of this act, carry out any operation to support the price of any such perishable, nonbasic agricultural commodity to the extent that the reserve for the postwar price support of agriculture established pursuant to the First Supple-

mental Appropriation Rescission Act of 1946 (60 Stat. 8) and other funds appropriated for agricultural price support are sufficient to cover any losses which may be incurred in connection with such operation.

"(d) Notwithstanding the foregoing provisions of this section, price-support operations at levels in excess of the maximum level of price support otherwise prescribed in this section may be undertaken whenever it is determined by the Secretary after reasonable public notice and public hearing with records of said hearing and a finding thereon by said Secretary available to the public that price support at such increased levels is necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security.

"(e) Appropriate adjustments may be made in the support price for any commodity for differences in grade, type, staple, quality, location, and other factors. Such adjustments shall be made in such manner that the average support price for such commodity in each marketing year will, on the basis of the anticipated incidence of such factors, be equal to the level determined as provided in this section for such marketing year.

"(f) For the purposes of this section—

"(1) A 'cooperator' with respect to any basic agricultural commodity shall be a producer on whose farm the acreage planted to the commodity does not exceed the farm acreage allotment for the commodity under this title, or, in the case of price support for corn to a producer outside the commercial corn-producing area, a producer who complies with conditions of eligibility prescribed by the Secretary. For the purposes of this subsection a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded such allotment.

"(2) A 'basic agricultural commodity' shall mean any of the commodities cotton, wheat, corn, tobacco, rice, and peanuts of a crop harvested after December 31, 1948.

"(3) A 'nonbasic agricultural commodity' shall mean any agricultural commodity other than a basic agricultural commodity.

"(g) No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan made under authority of this section unless such loan was obtained through fraudulent representations by the producer. This provision shall not, however, be construed to prevent Commodity Credit Corporation or the Secretary from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program.

"(h) The Commodity Credit Corporation shall not sell any farm commodity owned or controlled by it at less than (1) a price determined on a pricing basis for its stocks of such commodity on hand, which makes due allowance for grade, type, quality, location, and other factors and which is reasonably calculated to reimburse it for costs incurred by it with respect to such stocks; (2) a price halfway between the support price, if any, and the parity price of such commodity; or (3) a price equivalent to 90 percent of the parity price of such commodity, whichever price is the lowest, except that the foregoing restrictions shall not apply to (A) sales for new or byproduct uses; (B) sales of peanuts for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or of nonbasic perishable commodities where there is danger of loss or waste through spoilage; (E) sales for the purpose of establishing claims against

persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool; and (H) sales for other than primary uses."

(b) Section 381 (c) of the Agricultural Adjustment Act of 1938 is repealed.

(c) Section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes," approved July 1, 1941 (U. S. C., title 15, sec. 713a-8), is amended by inserting after the first sentence thereof the following: "Notwithstanding the expiration of the period specified in the preceding sentence, the price of Irish potatoes harvested prior to January 1, 1949, shall be supported as provided in this section until the close of June 30, 1949."

MARKETING QUOTAS

Corn

SEC. 303. (a) The first sentence of section 322 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever in any calendar year the Secretary determines—

"(1) that the total supply of corn for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 percent; or

"(2) that the total supply of corn for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for corn for three successive months of the marketing year so ending does not exceed 66 percent of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect in the commercial corn producing area for the crop of corn grown in such area in the next succeeding calendar year and shall remain in effect until terminated in accordance with the provisions of this title."

(b) Sections 322 (b) and 322 (c) of the Agricultural Adjustment Act of 1938 and the joint resolution entitled "Joint resolution relating to section 322 of the Agricultural Adjustment Act of 1938, as amended," approved July 26, 1939 (53 Stat. 1125), are hereby repealed.

(c) Section 322 (d) of the Agricultural Adjustment Act of 1938 is amended (1) by striking out "(c)" and inserting in lieu thereof "(a)", and (2) by striking out "September" and inserting in lieu thereof "March."

Wheat

SEC. 304. (a) Section 335 (a) of the Agricultural Adjustment Act of 1938 is amended by striking out the first two sentences thereof and inserting in lieu thereof the following: "Whenever in any calendar year the Secretary determines—

"(1) that the total supply of wheat for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 percent; or

"(2) that the total supply of wheat for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for wheat for three successive months of the marketing year so ending does not exceed 66 percent of parity

the Secretary shall, not later than July 1 of such calendar year, proclaim such fact and, during the marketing year beginning July 1 of the next succeeding calendar year and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of wheat."

(b) The first sentence of section 336 of the Agricultural Adjustment Act of 1938 is amended by striking out "June 10" and inserting in lieu thereof "July 25."

Cotton

SEC. 305. The first sentence of section 345 of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever during any calendar year the Secretary determines—

"(1) That the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 8 percent; or

"(2) that the total supply of cotton for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for cotton for three successive months of such marketing year does not exceed 66 percent of parity,

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect with respect to cotton during the marketing year beginning in the next succeeding calendar year."

Rice

SEC. 306. The first sentence of section 355 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever during any calendar year the Secretary determines—

"(1) that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 percent; or

"(2) that the total supply of rice for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for rice for three successive months of such marketing year does not exceed 66 percent of parity

the Secretary shall, not later than December 31 of such calendar year, proclaim such fact and, during the marketing year beginning in the next succeeding calendar year and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of rice by producers."

SEC. 307. The Agricultural Adjustment Act of 1938 is amended—

(a) By inserting in section 328 after the words "outside the commercial corn-producing area" the following: "or imported";

(b) By inserting in section 333 after "for such crop" the following: "and imports";

(c) By inserting in section 343 (a) after "August 1 of such succeeding calendar year" the following: "and imports";

(d) By striking out sections 359 (d) and 359 (e);

(e) By striking out of section 364 "committee utilized for the purposes of the Soil Conservation and Domestic Allotment Act, as amended", and inserting in lieu thereof "county agricultural program executive committee provided for by the Agricultural Act of 1948."

(f) By striking out of section 385 "or loan" and inserting in lieu thereof "loan, or price support operation."

UTILIZATION OF LOCAL ORGANIZATION IN CARRYING OUT THE AGRICULTURAL ADJUSTMENT ACT OF 1938

SEC. 308. Section 388 of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"SEC. 388. In carrying out the provisions of this act the Secretary is directed to utilize the State agricultural councils and community and county agricultural program committees and executive committees created pursuant to the Agricultural Act of 1948; and the local administrative areas and local and county committees referred to in this act shall be the local administrative areas and the community and county agricultural program committees and executive committees provided for by the Agricultural Act of 1948."

Tobacco

SEC. 309. Section 312 (a) of the Agricultural Adjustment Act of 1938 is amended by inserting before the period at the end of the first sentence a colon and the following: "Provided, That the Secretary shall proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year, and shall proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco, and, beginning on the first day of the marketing year next following and continuing throughout such year, a national marketing quota shall be in effect for the tobacco marketed during such marketing year."

TITLE IV—MISCELLANEOUS

SECTION 32 FUNDS

SEC. 401. Section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (U. S. C., title 7, sec. 612c), is amended by adding at the end thereof the following: "The sums appropriated under this section shall, notwithstanding the provisions of any other law, continue to remain available for the purposes of this section until expended; but any excess of the amount remaining unexpended at the end of any fiscal year over \$300,000,000 shall, in the same manner as though it had been appropriated for the service of such fiscal year, be subject to the provisions of section 3690 of the Revised Statutes (U. S. C., title 31, sec. 712), and section 5 of the act entitled 'An act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June 30, 1875, and for other purpose' (U. S. C., title 31, sec. 713)."

SEC. 402. Section 22 of the Agricultural Adjustment Act of 1933, as added by section 31 of the act of August 24, 1935 (49 Stat. 773), reenacted by the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246), as amended, is hereby amended to read as follows:

"SEC. 22. (a) Whenever the President has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify.

"(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 percent ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investi-

gation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a), of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: *Provided*, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 percent of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: *And provided further*, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine.

"(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States.

"(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section.

"(e) Any decision of the President as to facts under this section shall be final.

"(f) No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party."

PARITY—OTHER STATUTES

SEC. 403. (a) Section 2 (1) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended to read as follows:

"(1) Through the exercise of the powers conferred upon the Secretary of Agriculture under this title, to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices as defined by section 301 (a) (1) of the Agricultural Adjustment Act of 1938."

(b) Section 8c (18) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended to read as follows:

"(18) The Secretary of Agriculture, prior to prescribing any term in any marketing agreement or order, or amendment thereto, relating to milk or its products, if such term is to fix minimum prices to be paid to producers or associations of producers, or prior to modifying the price fixed in any such term, shall ascertain the parity prices of such commodities. The prices which it is declared to be the policy of Congress to establish in section 2 of this title shall, for the purposes of such agreement, order, or amendment, be

adjusted to reflect the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk or its products in the marketing area to which the contemplated marketing agreement, order, or amendment relates. Whenever the Secretary finds, upon the basis of the evidence adduced at the hearing required by section 8b or 8c, as the case may be, that the parity prices of such commodities are not reasonable in view of the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk and its products in the marketing area to which the contemplated agreement, order, or amendment relates, he shall fix such prices as he finds will reflect such factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest. Thereafter, as the Secretary finds necessary on account of changed circumstances, he shall, after due notice and opportunity for hearing, make adjustments in such prices."

(c) Section 8c (17) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended by striking out "and section 8e."

(d) Section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is repealed.

(e) Section 4 of the Agricultural Marketing Agreement Act of 1937, as amended, is amended by inserting after the section designation the subsection designation "(a)" and by adding at the end thereof a new subsection to read as follows:

"(b) Any program in effect under the Agricultural Adjustment Act, as reenacted and amended by this act, on the effective date of section 403 of the Agricultural Act of 1948 shall continue in effect without the necessity for any amendatory action relative to such program, but any such program shall be continued in operation by the Secretary of Agriculture only to establish and maintain such orderly marketing conditions as will tend to effectuate the declared purpose set out in section 2 or 8c (18) of the Agricultural Adjustment Act, as reenacted and amended by this act."

(f) All references in other laws to—

- (1) parity,
- (2) parity prices,
- (3) prices comparable to parity prices, or
- (4) prices to be determined in the same manner as provided by the Agricultural Adjustment Act of 1938 prior to its amendment by this act for the determination of parity prices,

with respect to prices for agricultural commodities and products thereof, shall hereafter be deemed to refer to parity prices as determined in accordance with the provisions of section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended by this act.

COMMODITY CREDIT CORPORATION CONTINUED
AS AGENCY OF THE UNITED STATES

SEC. 404. The first sentence of subsection (a) of section 7 of the act approved January 31, 1935 (49 Stat. 4), as amended, is amended by striking out "June 30, 1948" and inserting in lieu thereof "June 30, 1949."

EFFECTIVE DATE

SEC. 405. This act shall take effect on January 1, 1949, except that sections 402 and 404 shall take effect upon the enactment of this act.

The PRESIDENT pro tempore. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

Mr. AIKEN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. WHERRY. I announce that the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], the Senator from Indiana [Mr. JENNER], the Senator from Massachusetts [Mr. LODGE], and the Senator from Maine [Mr. WHITE] are necessarily absent. If present and voting, the Senator from South Dakota would vote "yea," the Senator from Indiana would vote "yea," and the Senator from Massachusetts would vote "yea," and the Senator from Kansas would vote "yea."

The Senator from California [Mr. KNOWLAND] is absent by leave of the Senate. If present and voting, the Senator from California would vote "yea."

The Senator from Oklahoma [Mr. MOORE] is detained on official business.

Mr. LUCAS. I announce that the Senator from Georgia [Mr. GEORGE] is absent because of a death in his family.

The Senator from Virginia [Mr. BYRD], the Senator from Nevada [Mr. McCARRAN], the Senator from Maryland [Mr. O'CONNOR], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having been appointed a national delegate by the President to the annual conference of the International Labor Organization, meeting in San Francisco, Calif.

I announce further that, if present and voting, the Senator from Georgia [Mr. GEORGE], the Senator from Nevada [Mr. McCARRAN], the Senator from Maryland [Mr. O'CONNOR], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Utah [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] would vote "yea."

The result was announced—yeas 79, nays 3, as follows:

YEAS—79

Aiken	Hatch	Myers
Baldwin	Hawkes	Pepper
Ball	Hayden	Reed
Barkley	Hickenlooper	Revercomb
Brewster	Hill	Robertson, Va.
Bricker	Hoey	Robertson, Wyo.
Bridges	Holland	Russell
Brooks	Ives	Saltonstall
Buck	Johnson, Colo.	Smith
Butler	Johnston, S. C.	Sparkman
Cahn	Kem	Stennis
Capehart	Kilgore	Stewart
Chavez	Langer	Taft
Connally	Lucas	Taylor
Cooper	McCarthy	Thomas, Okla.
Cordon	McClellan	Thye
Donnell	McFarland	Tobey
Downey	McGrath	Tydings
Dworshak	McKellar	Umstead
Eastland	McMahon	Vandenberg
Ellender	Magnuson	Watkins
Feazel	Malone	Wherry
Ferguson	Martin	Wiley
Flanders	Maybank	Wilson
Fulbright	Millikin	Young
Green	Morse	
Gurney	Murray	

NAYS—3

Ecton	O'Daniel	Williams
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NOT VOTING—14

Bushfield	Knowland	O'Mahoney
Byrd	Lodge	Thomas, Utah
Capper	McCarran	Wagner
George	Moore	White
Jenner	O'Connor	

So the bill (H. R. 6248) was passed.

The title was amended so as to read: "An act to provide for a coordinated agricultural program."

The PRESIDENT pro tempore. Without objection, Senate bill 2318 will be indefinitely postponed.

ADDITIONAL REPORTS OF COMMITTEES

The following additional reports of committees were submitted:

By Mr. VANDENBERG, from the Committee on Foreign Relations:

H. R. 4330. A bill to authorize the Secretary of State to perform certain consular-type functions within the United States and its Territories and possessions; without amendment (Rept. No. 1759); and

H. J. Res. 297. Joint resolution to increase the sum authorized to be appropriated for the presentation to Eire of a statue of Commodore John Barry; without amendment (Rept. No. 1760);

By Mr. CONNALLY, from the Committee on Foreign Relations:

H. R. 4367. A bill authorizing the Hidalgo Bridge Co., its heirs, legal representatives, and assigns, to construct, maintain, and operate a railroad toll bridge across the Rio Grande, at or near Hidalgo, Tex.; without amendment (Rept. No. 1761); and

H. R. 5252. A bill to extend the time for commencing the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex.; without amendment (Rept. No. 1762).

By Mr. REED, from the Committee on Appropriations:

H. R. 6829. A bill making supplemental appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1949, and for other purposes; with amendments (Rept. No. 1758).

By Mr. GURNEY:

From the Committee on Appropriations:

H. R. 6771. A bill making appropriations for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1949, and for other purposes; with amendments (Rept. No. 1763).

From the Committee on Armed Services:

H. R. 6698. A bill to authorize the course of instruction at the United States Naval Academy to be given to not exceeding four persons at a time from the Republic of the Philippines; without amendment (Rept. No. 1766).

By Mr. TYDINGS, from the Committee on Armed Services:

H. R. 6039. A bill to authorize the permanent appointment in the Regular Army of one officer in the grade of general and to authorize the permanent appointment in the Regular Air Force of one officer in the grade of general, and for other purposes; with an amendment (Rept. No. 1764); and

H. R. 6707. A bill to amend the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), and for other purposes; with an amendment (Rept. No. 1765).

HEARINGS BEFORE COMMITTEE ON ARMED SERVICES—INCREASE IN LIMIT OF EXPENDITURES

Mr. SALTONSTALL, from the Committee on Armed Services, reported an original resolution (S. Res. 263), which was referred to the Committee on Rules and Administration, as follows:

Resolved, That in carrying out the duties imposed upon it by section 136 of the Legislative Reorganization Act of 1946 (Public Law 601, 79th Cong.), the Committee on Armed Services, or any duly authorized subcommittee thereof, is authorized during the period ending March 31, 1949, to make such expenditures, and to employ upon a temporary basis such investigators, technical, clerical, and other assistants as it deems advisable.

SEC. 2. The expenses of the committee under the resolution, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

RELATIONS WITH INTERNATIONAL ORGANIZATIONS—PRELIMINARY REPORT OF COMMITTEE ON EXPENDITURES IN EXECUTIVE DEPARTMENTS (S. REPT. NO. 1757)

Mr. IVES, from the Committee on Expenditures in the Executive Departments, submitted, pursuant to section 102 (g) (2) (D) of the Legislative Reorganization Act of 1946, a preliminary report on United States relations with international organizations, which was ordered to be printed.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, June 17, 1948, he presented to the President of the United States the following enrolled bills and joint resolutions:

S. 158. An act for the relief of certain Basque aliens;

S. 765. An act for the relief of Santiago Solabarrieta;

S. 1087. An act to amend section 502 (a) of the Department of Agriculture Organic Act of 1944;

S. 1274. An act conveying all right, title, and interest of the United States in and to certain lands in Wilkinson County, Miss., to the heirs, assigns, and successors in title of William Collins;

S. 1275. An act conveying all right, title, and interest of the United States in and to certain lands in Warren County, Miss., to the heirs, assigns, and successors in title of Moses Evans;

S. 1303. An act for the relief of Lydia A. Thompson;

S. 1337. An act for the relief of Hou Chung Chay;

S. 1409. An act for the relief of Markoto Iwamatsu, Atsushi Jun Iwamatsu, and Tomoe Iwamatsu;

S. 1447. An act to prohibit the importation of foreign wild animals and birds under conditions other than humane, and for other purposes;

S. 1606. An act for the relief of Wladyslaw Plywacki;

S. 1853. An act to authorize the Coast Guard to establish, maintain, and operate aids to navigation;

S. 2122. An act to authorize the Coast Guard to operate and maintain ocean stations;

S. 2223. An act to authorize the promotion of Lt. Gen. Leslie Richard Groves to the permanent grade of major general, United States Army, and for other purposes;

S. 2225. An act to transfer administration of the Federal Credit Union Act to the Federal Security Agency;

S. 2237. An act to increase certain benefits payable under the Longshoremen's and Harbor Workers' Compensation Act;

S. 2251. An act to authorize the Army and Navy union, United States of America, Department of Illinois, to construct a recrea-

tional park on the grounds of the United States naval hospital, United States Naval Training Center, Great Lakes, Ill.

S. 2400. An act to authorize the President, in his discretion, to permit the stoppage of work on certain combatant vessels;

S. 2401. An act to provide for the administration of military justice within the United States Air Force, and for other purposes;

S. 2508. An act relating to salaries of certain officers and employees of the United States and certain officers and employees of Puerto Rico;

S. 2675. An act to amend the Organic Act of Puerto Rico;

S. 2770. An act to fix the rank of the Assistant to the Chief of Engineers in charge of river and harbor and flood-control improvements;

S. J. Res. 158. Joint resolution to authorize the issuance of a special series of stamps commemorative of the Eighty-fifth anniversary of Lincoln's Address; and

S. J. Res. 203. Joint resolution providing for the ratification by Congress of a contract for the purchase of certain lands and mineral deposits by the United States from the Choctaw and Chickasaw Nations of Indians.

ADDITIONAL BILLS INTRODUCED

Additional bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 2885. A bill for the relief of Walter Gustav Bejeuhr; to the Committee on the Judiciary.

(Mr. BREWSTER introduced Senate bill 2886, to amend the Alien Registration Act of 1940 by authorizing the execution of executive travel agreements to expedite international travel, and for other purposes, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

AMENDMENT OF ALIEN REGISTRATION ACT OF 1940 RELATING TO EXECUTION OF EXECUTIVE TRAVEL AGREEMENTS

Mr. BREWSTER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to amend the Alien Registration Act of 1940 by authorizing the execution of executive travel agreements to expedite international travel, and for other purposes, and I request that a statement explaining the purport of the bill may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and the statement presented by the Senator from Maine will be printed in the RECORD.

The bill (S. 2886) to amend the Alien Registration Act of 1940 by authorizing the execution of executive travel agreements to expedite international travel, and for other purposes, introduced by Mr. BREWSTER, was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. BREWSTER is as follows:

STATEMENT BY SENATOR BREWSTER IN EXPLANATION OF BILL

Mr. President, the bill S. 2886, which I have just introduced, seeks to give the President permissive authority to negotiate Executive travel agreements with friendly foreign governments of nonquota countries to permit travel to and from the respective signatory countries, by native-born nationals and resident nationals for the preceding 18

years, upon presentation of a passport, travel card, or other document showing identity and nationality.

When such agreements have been concluded, the bill provides that such nationals of the countries with whom the agreements have been executed may enter the United States for business or pleasure for a period of 3 months without having to obtain a visa as provided in section 30 of the Alien Registration Act of 1940. One 3-month extension may be granted by the Commissioner of Immigration and Naturalization upon proper showing.

In addition the bill permits the 350 offices of the Immigration and Naturalization Service throughout the United States to accept applications for and issue passports within the United States under regulations prescribed by the Secretary of State.

Mr. President, I want particularly to point out the following points in connection with this bill:

1. The bill relates only to travel for business or pleasure.

2. The waiving of the visa requirements for business or pleasure travel is confined to native-born nationals and resident nationals for the previous 18 years, thus excluding those who may have either recently acquired nationality in a nonquota country or who seek to come to the United States without a visa via a country with whom an agreement is concluded.

3. Such agreements can be negotiated solely with nonquota countries. That is, countries with respect to which the United States has no immigration quota.

4. The power to conclude such agreements is permissive.

5. Persons traveling under such agreements are required to return to the country to which they owe allegiance before seeking permanent residence in the country visited.

6. Passports would be available to our citizens with greater dispatch by decentralizing their issuance. Their issuance would continue to be subject to regulations issued by the Secretary of State, but no longer would all applications for passports be forwarded to Washington, as is now the case.

The purpose of this bill is to enable the United States to assume its place as a leader in promoting international business and pleasure travel as well as international trade. Trade and travel should be considered together and as necessary supplements to each other.

The world is looking to us to take constructive steps to bring about a lasting peace through understanding and good will. Dollars loaned or given to foreign countries will not alone, in my opinion, bring about the result we all so earnestly seek. We must take steps, consistent with present-day world conditions, to encourage the free movement of proper persons for business and pleasure to and from friendly countries. During the war obviously certain additional security safeguards were necessary for persons entering the United States. Moreover, I realize that, as a practical matter, additional requirements should be imposed upon quota countries to insure maximum results from our immigration policies.

Department of Commerce estimates indicate that potentially approximately \$1,600,000,000 annually may be expected to be spent abroad by United States nationals if our current rate of national income continues over the next 5 to 10 years. The creation of such dollar exchange in customer countries will directly contribute to the maintenance of our trade and prosperity.

Government and business have agreed that if foreign travel of United States nationals is fully developed, approximately fifteen to seventeen billion dollars in exchange could be created in 10 years. In short, nearly as

many dollars may be expected to be spent, by our tourists abroad during this 10-year period than will be provided under the Marshall plan. And these very dollars may be used by these countries to maintain our export trade, thereby assuring not only our own but the world economy. Herein lies the reason why both Government and industry are so anxious to do everything possible to realize this goal by permitting and encouraging our people to travel abroad.

Prosperity depends to a large extent on world trade. An essential prop to world trade is travel, since travel results in dollars abroad and dollars abroad mean world trade.

The wisdom of promoting and facilitating world travel as a means of promoting a sound world economy has been recognized already by the Congress when they inserted section 117 (b) in the Economic Cooperation Act of 1948, as follows:

"(b) The Administrator, in cooperation with the Secretary of Commerce, shall facilitate and encourage, through private and public travel, transport, and other agencies, the promotion and development of travel by citizens of the United States to and within participating countries."

As stated, this provision relates solely to our citizens traveling to and within the participating countries. Moreover, all of these participating countries are quota countries and our Government feels that visa restrictions from such countries to the United States should be maintained in order not to undermine our quota system through evasion.

There does exist however, an area in which this country should feel obligated to take constructive action to facilitate travel by eliminating visas and that area relates to the nonquota countries. It is fully appreciated that the very mention of abolishing any visa arouses fear and suspicion in the minds of those who think solely in terms of control. Just as our exports and imports must be balanced however, so must the relative merits of control and development. Both aspects must be studied on their merits and reconciled, rather than sole concentration on either. Thus the question is presented just what is a visitors visa supposed to do and does it accomplish what it was designed to accomplish?

Let us examine the effectiveness of the visitors visa regime from the standpoint of protecting the United States from undesirable aliens:

(a) It is generally conceded by security officers that any country desiring to send subversive elements into the United States may readily do so. The visa regime is therefore of little protection. This statement is based upon the following:

1. During both wars it was general experience that alien agents came fully documented. Means for producing spurious documents are ready at hand to any such country or person.

2. Any country desiring to introduce such elements may do so by the use of the diplomatic passport and visa.

3. Once an alien is admitted into the United States, he may move freely throughout the country. The visa itself does not aid in tracing his movements or controlling his activities.

It is purely a rubber stamp on the passport, which passport performs the function of identification. The passport not only identifies the individual officially as a national of a particular country but carries with it commitment on the part of that country to receive back that individual.

It is clear that the real security of this country against undesirable aliens lies in the border check itself in the first instance, but secondly, and primarily, in the enforcement force provided to keep track of aliens and eject them at such time as they overstay

their welcome or engage in activities inimical to the best interests of the country. Too much emphasis on this point cannot be given. This is the heart of the security problem and not an ineffective, duplicate document that burdens down the Foreign Service.

It may well be asked what is needed. It is clear that the individual presenting himself at the border must be identified. The passport does this without the visa. It is also clear that there should be some system whereby a follow-up can start on individuals entering the United States temporarily at or shortly after the time of the end of their legal permission to be in the United States. This can readily be done by the use of a simple three part entry card filled out at or prior to the time of entry without charge, cost, delay, or red tape, two parts to be retained by the Immigration authorities, the third part stamped and returned to the visitor as evidence of his legal entry. This third part will be surrendered at the time of his exit. Matching these cards in a central office would determine precisely who and how many are overstaying, and affords the enforcement authorities an effective means for follow-up.

In summary, for purpose of enforcement, we will have the identification of the individual through the passport, with a commitment to take him back by the country issuing it; we have an adequate border check; we have increased border facilities; we will have a means for checking out the individual and a means for following up on those individuals who do not check out on time.

As a necessary supplement to the program just described, which my bill contemplates, I feel it most desirable to greatly expedite the issuance of passports to our citizens in the United States. In time of peace, I can see no reason why applications for passports, which can now be filed conveniently by our citizens with the clerks of all courts of record, need then be forwarded to one central office in the State Department in Washington for approval and issuance. This is bureaucracy at its worst. Our citizens are deserving of service by their Government within 24 hours after they apply for a passport.

I believe the over-all control of the issuance of passports should properly remain the function of the Secretary of State but I also feel that use should be made of the 350 field offices of the Immigration and Naturalization Service in order to expedite the issuance of passports in the United States. These offices have had the authority and responsibility since 1906 for determining nationality so why should they not also issue the document identifying an American as an American? My bill would make this possible and would thereby reduce the average length of time presently required to issue a passport to a citizen from approximately 2 weeks to the desired time.

It should be clearly understood, that what the proposed legislation contemplates with respect to visas is entirely in accord with what the State Department says is the policy of our Government. In April 1947 at the meeting of experts on passports, visas, and frontier formalities called by the United Nations, which meeting was held in Geneva, the United States delegates proposed that the conference recommend that entrance and transit visas should be abolished by countries having no quantitative immigration restriction.

Ambassador Austin, in March of this year in reply to the Secretary General of the United Nations stated that the Government of the United States supports the view that there should be a distinction made between countries which have, and those which do not have a quota system for immigrants so far as the question of abolishing nonimmigrant visa requirements is concerned. This letter specifically states: "The United States has recommended that entrance and transit

visas should be abolished by countries having no quantitative immigration restriction."

If this Government recommends to other countries who have no quota system for United States citizens, that they abolish entrance and transit visas, we should do likewise with respect to those countries from which we have no quota restrictions.

The proposed legislation would enable our stated policy to be carried out, on a permissive basis, with respect to nonquota countries. As a result of our announced policy with respect to nonquota countries our State Department should feel obligated to take such action.

If we take the lead in abolishing the requirements of visas by means of bilateral agreements with such non-quota countries, there can be little doubt that other countries, who followed our lead in requiring visas, would again follow our lead and abolish their requirements.

I feel that we should not advise other countries what to do and do nothing ourselves, but should take the lead in removing the visa requirement for persons traveling for business or pleasure between such non-quota countries and our own country. This is the purpose of the bill I have introduced and although I realize this bill is introduced near the close of this Congress I do so in order that reports may be obtained during the recess and I sincerely hope that the Government departments who are called upon to report on the bill will not attempt to cloud the issue by needless discussion of immigration, quota systems, etc., but will comment constructively upon the merits of the bill as an attempt to stimulate travel among friendly non-quota countries by removing what is recognized as a totally unnecessary peacetime requirement.

Mr. AIKEN. Mr. President, I move that the Senate insist upon its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. AIKEN, Mr. YOUNG, Mr. THYE, Mr. THOMAS of Oklahoma, and Mr. ELLENDER conferees on the part of the Senate.

Mr. AIKEN. Mr. President, I now ask unanimous consent that House bill 6248 be printed showing the amendment of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF TERMS OF MEMBERS OF ATOMIC ENERGY COMMISSION

The PRESIDENT pro tempore. Under the unanimous-consent agreement previously entered, the Chair now lays before the Senate, Senate bill 2589, Calendar No. 387.

The Senate proceeded to consider the bill (S. 2589) to provide for extension of the terms of office of the present members of the Atomic Energy Commission.

APPROPRIATIONS FOR NATIONAL MILITARY ESTABLISHMENT, 1949

Mr. WHERRY. Mr. President, I ask unanimous consent that the unfinished business, which is the bill to provide for extension of the terms of office of the present members of the Atomic Energy Commission, be temporarily laid aside, and that the Senate proceed to the consideration of House bill 6771, the National Military Establishment appropriation bill, 1949. It is very necessary that

this bill be passed tonight, so that it can go to conference tonight.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nebraska.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 6771) making appropriations for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1949, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. GURNEY. Mr. President, the bill presently before the Senate is the appropriation bill for the Military Establishment—not for the Navy, but for the Ground Forces, the Department of the Army, and the Air Forces.

As the bill came from the House of Representatives, it provided appropriations amounting to \$6,509,939,000.

The Senate Appropriations Committee recommends additions to the bill in the amount of \$329,737,052. Moreover, there will be offered as a committee amendment, although it does not appear on the face of the report, an amendment which requires \$76,000,000 in cash and \$75,000,000 in contract authority. This additional cash would make a total increase of \$405,737,052 over the amounts carried in the bill as passed by the House.

Mr. President, I now ask that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDENT pro tempore. Without objection, it is so ordered, and the Clerk will proceed to state the amendments of the committee.

The first amendment of the Committee on Appropriations in the subcommittee print was, under the heading "National Security Resources Board," on page 4, line 25, after the word "purchase", to insert "(including one at not to exceed \$3,000)"; on page 5, line 3, after "(28 U. S. C. 921)", to insert "a health service program as authorized by law (5 U. S. C. 150)"; and in line 9, after the word "conclusive", to strike out "\$3,000,000" and insert "\$3,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Department of the Air Force—United States Air Force", on page 6, line 19, after the word "appropriation", to strike out "\$884,486,000" and insert "\$896,986,000"; in line 25, after the word "exceed", to strike out "\$300,000,000" and insert "\$312,500,000"; and on page 7, line 8, after the word "storage", to insert a colon and the following additional proviso:

And provided further, That after June 30, 1948, in carrying out the provisions of subsection (b) of section 14 of the act of May 24, 1946 (60 Stat. 219), with respect to the Department of the Air Force, the Director of the Bureau of the Budget shall so determine the number of civilian employees (including the full-time equivalent of man-months of part-time employment) that the number shall not exceed 75,000.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries, Office of the Secretary

annuities for Federal employees who are primarily engaged in the investigation, apprehension, or detention of persons suspected or convicted of offenses against the U. S. criminal laws, who is at least 50 and has had 25 years of service (p. 8910). This bill will now be sent to the President.

Passed without amendment H. R. 6641, to provide annuities for certain surviving spouses of annuitants retired before Apr. 1, 1948 (p. 8913). This bill will now be sent to the President.

7. VETERANS' LOANS. Passed as reported S. 2790, to amend the Servicemen's Readjustment Act so as to provide a secondary market for GI loans (pp. 8918-9).
8. PERSONNEL. Passed without amendment H. R. 4917, which provides that, if a veteran lost opportunity for appointment in the Federal civil service because of military service and becomes physically disqualified for the position for which he was examined by reason of a disability incurred in the military service, he may have his name entered upon any list of eligibles for which a like examination is required (p. 8912). This bill will now be sent to the President.
9. ASSISTANT SECRETARIES. Passed without amendment H. R. 6822, to continue the authorization for two additional Assistant Secretaries of State (pp. 8912-13). This bill will now be sent to the President.
10. DISASTER RELIEF. Passed as reported S. 2831, to authorize the Secretary of Defense to coordinate the emergency disaster relief of Federal agencies (pp. 8932-3).
11. REMOUNT SERVICE. Passed S. 2698, to authorize transfer of certain Army horses to the New Mexico Military Institute, except those used in the Remount Service (p. D677).
12. SELECTIVE SERVICE. Debated a motion by Sen. Gurney that conferees be appointed on S. 2655, the selective-service bill (pp. 8920-7, 8963-81, 9109-36).
13. APPROPRIATIONS. Received the following appropriation estimates from the President (pp. 8947-8); to Appropriations Committee.
Flood-damage loans, USDA, \$6,000,000. (S. Doc. 186.)
Rural-housing program under pending housing bill, \$3,500,000 appropriation and \$25,000,000 loan authorization. (S. Doc. 187.)
14. INFLATION. Sen. O'Mahoney spoke in favor of anti-inflation legislation and said this would help to make possible economy in Government expenditures (pp. 8916-8).
15. BILLS PASSED OVER, during call of the calendar, included:
S. 784, providing maternity leave for Government employees (pp. 8903-4).
S. J. Res. 162, restricting authority for establishment of Indian reservations in Alaska (pp. 8927-8).
S. 2754, the property-management bill (p. 8927).

HOUSE - June 18

16. FARM PROGRAM. Reps. Hope, Andresen, Johnson, Murray, Flannagan, Cooley, and Pace were appointed conferees on H. R. 6243, the farm-program bill (p. 8990).
17. COMMODITY CREDIT CORPORATION. Passed, 107-13, S. 1322, to provide a Federal charter for CCC, with the language of H. R. 6263 substituted (pp. 9015-22).

"Under the committee recommendation personal property will be disposed of in the following order: 1. Transfers to Government agencies. 2. Disposals to veterans. 3. Disposals to States and political subdivisions and instrumentalities thereof. 4. Disposals to small business. Real property not under section 13 of the Surplus Property Act will be disposed of as follows: 1. Transfers to Government agencies. 2. Disposals to veterans. 3. Disposals to States and political subdivisions and instrumentalities thereof. 4. Disposals to former owners. 5. Disposals to small business.

"Public Law No. 616 relating to Reconstruction Finance Corporation, and passed by this session of Congress, eliminated provisions of section 18 (e) of the Surplus Property Act, as amended. In the consideration of this legislation, the committee is of the opinion that the objection was not to the priority granted small business but it appeared desirable to relieve the Reconstruction Finance Corporation of its responsibility to administer same.

"A proviso in the bill requires the War Assets Administrator to reestablish this priority so that it follows States and local governments insofar as both real and personal property are concerned. It is to be noted that with respect to real property the priority of small business follows that of former owners.

"A proviso has also been added which would authorize the Administrator of War Assets Administration to eliminate priorities and preferences on personal property when the cost to Government is excessive as related to estimated benefit to priority and preference claimants.

"Much discussion has been had relative to the advisability of the elimination of priorities and preferences for personal property. Testimony has been given as to the substantial money savings which the Government might derive from a surplus-property operation free and clear of priorities for personal property and also as to the increasingly diminishing value of these priorities to the beneficiaries thereof, especially as related to the expense which their existence causes the Government.

"It is the opinion of the committee that those priorities and preferences should not be entirely eliminated at this time. There may remain some advantage to the beneficiaries of them from the war surplus still undisposed of, especially if suitably extended. The committee believes that the same monetary advantages may well be accomplished through retention of those priorities provided the Administrator of the War Assets Administration is given authority to eliminate them when the economies of a given situation demand it. The committee further believes that if the Administrator...is given discretion in suitable cases to make disposals of surplus personal property, without regard to priorities, as provided in the recommended language, the most damaging cost aspects of the priority system can be alleviated without material damage to the interests of priority claimants."

Agreed to an amendment (in addition to the committee amendments), by Sen. Barkley, to add \$450,000 for administrative expenses of REA (p. 8962).

Sens. Reed, Bridges, Brooks, Cordon, Green, Russell, and McKellar were appointed conferees (p. 8963). Reps. Wigglesworth, Phillips, Robertson, Coudert, Hendricks, Andrews, and Thomas were appointed House conferees (p. 9073).

4. ALCOHOL PLANTS. Passed without amendment H. R. 6096, to transfer to this Department the alcohol plants at Muscatine, Kansas City, and Omaha (p. 8903). This bill will now be sent to the President.
5. FOREST LAND. Passed without amendment H.R. 5861, to transfer a tract of forest land to Okla. (p. 8903). This bill will now be sent to the President.
6. CIVIL-SERVICE RETIREMENT. Passed without amendment H. R. 6454, to provide

of Congress. On June 15 the Committee on Un-American Activities, by unanimous vote, ordered that testimony attacking the reputation of Representative FRANK R. HAVENNER, of California, which was given at a secret meeting of a subcommittee of the old Dies committee, held in Beaumont, Tex., on July 16, 1940, be expunged from the records of the committee.

Thus a regrettable chapter in the history of the so-called Dies committee has been obliterated by official action.

During the summer of 1940, while the Seventy-sixth Congress was in session and while Representative HAVENNER, a Member of that Congress, was at his post of duty here in the National Capital, he received information that an attempt would be made to give certain derogatory testimony concerning him before the Dies committee. Mr. HAVENNER informs me that he went to see the chairman of the committee, Representative Dies, of Texas, and inquired whether there was any truth in this report. Mr. Dies replied that he had heard nothing about it. Mr. HAVENNER then requested Chairman Dies to notify him if anyone attempted to give any testimony concerning him before the committee, in order that he might appear before the committee and exercise his right as a Member of Congress to testify in his own behalf. Dies assured him that this would be done.

After talking to the chairman, Mr. HAVENNER visited Representative Dempsey, of New Mexico, the ranking member of the Dies committee, and Representative Voorhis, of California, also a member of the committee, and made the same requests of them. Both also assured Representative HAVENNER that they would notify him immediately if they learned that any testimony concerning him was to be heard by the committee.

Now comes the most amazing feature of this regrettable episode in congressional history.

Not until more than 4 years had elapsed did Representative HAVENNER learn that, shortly after his conversation with Chairman Dies, a meeting of a subcommittee of the Dies committee, which was not public, was held in Beaumont, Tex. At that meeting, which was attended, as Mr. HAVENNER states, only by one member of the committee, the secretary of the committee, Robert E. Stripling, and the then investigator for the committee, James H. Stedman, a witness named John L. Leech testified under oath that it was his understanding that Representative HAVENNER had been and was at that time a member of the Communist Party.

The first time that Congressman HAVENNER knew that this meeting had been held on July 16, 1940, and that damaging testimony concerning him had been taken under oath, was when political advertisements, containing excerpts from the testimony given by the witness Leech were printed in San Francisco newspapers in October 1944, during Mr. HAVENNER's campaign for reelection to Congress.

Mr. HAVENNER never received any notification from Mr. Dies or from any other

member or employee of the committee, or from anyone else, that this meeting was to be held in Beaumont, Tex., on July 16, 1940, and he was never given any opportunity to appear before the Committee to refute this damaging testimony.

The record of the subcommittee hearing, which was not a public meeting, held in Beaumont, Tex., on July 16, 1940, was kept on the secret file of the committee for more than 4 years, and was never officially released by the Dies committee for publication.

Just how the supporters of Mr. HAVENNER's opponent in the 1944 campaign for Congress learned about the secret subcommittee meeting and obtained the record of its proceedings for publication has never been officially disclosed.

When Mr. HAVENNER was returned to Congress in January 1945, he took the floor of the House of Representatives and denounced the testimony of the witness Leech as perjury in its entirety. On that occasion every member of the old Dies committee who was present arose and stated that they had never heard of the secret subcommittee meeting held in Beaumont, Tex., on July 16, 1940, and had never known anything about the testimony concerning Mr. HAVENNER until he made his speech on the floor of the House.

When Mr. HAVENNER had concluded his statement, many Members of the House of Representatives voluntarily arose and expressed their confidence in Mr. HAVENNER's patriotism and integrity.

Not a single Member of the House attempted to condone this testimony given in an attempt to smear their fellow Member, and many Members denounced it as an outrageous proceeding.

I participated in the discussion on the floor of the House on that occasion, and, in the course of my remarks, I said:

There should be an investigation of the conspiracy to smear a gentleman who was a former Member of Congress and who is a Member of Congress today. The gentleman from California is the one who happened to be in that position today, but it might have been any other Member of this House.

If that testimony was false it means that there was a conspiracy among certain individuals in California to smear the gentleman for a particular purpose. It seems to me to be a matter of interest to each and every Member of the House and I think, speaking as an individual, if anything is done that the committee should go further and if they do find falsehoods, look into them. They will find falsehoods, for the gentleman has denied that the statements were true. They should investigate the conspiracy because it concerns every Member of this body.

As far as the gentleman himself is concerned, I have served with him, and I believe I speak the sentiments of every Member of this body. The gentleman may differ with me on this or that question, or differ with some of us who serve with him, but because we differ on public questions does not mean that we are not good Americans; it means simply a difference in our individual conscience and our individual judgment as to the best interests of the country. We may disagree as to judgment, but every man here has a love of America and is actuated by the same high patriotic motives as the gentlemen from California, who enjoys the confidence of every Member on each side of the aisle, as far as I know, who serves with him. I rise particularly to make this contribution

because the gentleman from California [Mr. HAVENNER] enjoys our respect and confidence and because we recognize that he is both honorable and trustworthy.

The conviction which I expressed in these remarks back in 1945 that this whole unsavory affair indicated that there had been a conspiracy to misuse the privileged authority of a congressional committee in order to defame a Member of Congress is strengthened by certain information which Representative HAVENNER has recently given me. He states that with the permission of Chairman THOMAS he talked with the clerk of the Committee on Un-American Activities, Mr. Stripling, who was present at the secret subcommittee meeting of the Dies committee down in Beaumont, Tex., on July 16, 1940.

Mr. HAVENNER asked the clerk of the committee who had arranged to bring the witness, Leech, whose home was in Los Angeles, out to this secret meeting in Beaumont, Tex., to give perjured testimony against a Member of Congress. The clerk, Mr. Stripling, replied that it was the duty of the investigator, James H. Stedman, to produce witnesses for the committee hearings. When Mr. HAVENNER asked to see Stedman, he was informed that the former investigator had not been employed by the committee for several years. Congressman HAVENNER inquired where Stedman was located, and was informed that after he left the committee he was employed by the Honolulu Oil Co., in Los Angeles, and was still in the employ of that company.

The President of the Honolulu Oil Co. is Mr. Albert C. Mattei, a gentleman who has been very active in Republican politics in northern California for many years. Congressman HAVENNER states that Mr. Mattei has been the chief financial and political supporter of every Republican candidate for Congress who has run against HAVENNER since our colleague was first elected to this House back in 1936. Mr. Mattei was the chief financial and political backer of Mr. HAVENNER's Republican opponent for Congress in 1940, when the secret subcommittee meeting of the Dies committee was held down in Beaumont, Tex. Mr. Mattei was again the chief financial and political backer of Mr. HAVENNER's opponent for Congress in 1944, when the defamatory prejured testimony taken at the secret subcommittee down in Beaumont, Tex., first saw the light of day in a political advertisement designed to defeat Mr. HAVENNER as a candidate for Congress.

And now it develops that when former Investigator Stedman, who is reported by the clerk of the Committee on Un-American Activities to have produced the witness who gave the defamatory perjured testimony against Congressman HAVENNER at the secret subcommittee meeting down in Beaumont, Tex., severed his connection with that committee, he was employed by the Honolulu Oil Co., of which Mr. Mattei is the president.

I leave this astounding sequence of facts to the judgment of Congress and the American people.

Congressman HAVENNER is one of the ablest Members of the Congress: Sin-

cere, courageous, a fighter for the people, and loyal to the best interests of the people. He is a credit to the people of his district. Congressman HAVENNER is a great American.

AGRICULTURAL ACT OF 1948

Mr. HOPE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes, with Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kansas? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. HOPE, AUGUST H. ANDRESEN, JOHNSON of Illinois, MURRAY of Wisconsin, FLANNAGAN, COOLEY, and PACE.

CORRECTION OF ROLL CALL

Mr. CHURCH. Mr. Speaker, on roll call No. 117, page 8721 of the RECORD, I am shown as having failed to answer to my name. I was present and answered to my name and I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. SUNDSTROM asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include recommendations.

Mr. RUSSELL asked and was given permission to extend his remarks in the RECORD and include a letter.

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an article by Mr. Felix Morley appearing in Human Events. This article proves again how far we have gone toward the totalitarian concept of government in our State Department.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. LANE (at the request of Mr. RUSSELL) was given permission to extend his remarks in the RECORD in two instances.

Mr. CASE of South Dakota asked and was given permission to extend his remarks at this point in the RECORD.

[Mr. CASE of South Dakota addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. BANTA asked and was given permission to extend his remarks in the RECORD and include an article from the Misouri Bismarck Gazette.

Mr. REED of Illinois asked and was given permission to extend his remarks at this point in the RECORD.

THE LATE HONORABLE THOMAS L. OWENS

Mr. REED of Illinois. Mr. Speaker, I do not have to remind the Members of this House that the late Tom Owens, of the Seventh Illinois District, had a wide interest in matters of government and was a keen student of the process of government.

Not long before he was tragically stricken, he initiated a study in his own office of the perplexing problem of improving relations between the States and the Federal Government, in the technical sense—that is, in improving the mechanics for Federal-State relationships.

He took a keen interest in the unique position of the American Vice President who is officially regarded as an executive but performs only legislative duties, that of presiding over the United States Senate. Believing this important official of our Government should be given greater responsibilities of a character in which, ordinarily, he is most admirably fitted, Representative Owens commenced study of a proposed draft of legislation that would accomplish this result.

Tom did not live to see the results of what he had started, but I feel that the Members of this House, and all students of Government matters, will want to see what was developed at his initiative.

I am therefore introducing today, as I am sure Tom would if he had lived, for consideration and discussion between now and the next session of Congress, a bill designed to cover these purposes.

EXTENSION OF REMARKS

Mr. HERTER asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. WELCH asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. MILLER of Connecticut asked and was given permission to extend his remarks in the RECORD in two instances and include in one an address by Herman W. Steinkraus, president of the Bridgeport Brass Co.

Mr. LODGE asked and was given permission to extend his remarks in the RECORD.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD.

Mr. HALE asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. COUDERT asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. KERSTEN of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances and include extraneous matter. In one of these instances it may exceed the limit under the rules, and due to the press of business in the Government Printing Office they have been unable to furnish me an estimate. I ask unanimous consent that it may be printed notwithstanding the cost.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. HESELTON asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. HUGH D. SCOTT, JR., asked and was given permission to extend his remarks in the RECORD and include two resolutions adopted by Henry H. Houston II Post, No. 3.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. KUNKEL asked and was given permission to extend his remarks in the RECORD in four instances; to include in three statements and quotations, and in the other a list of the legislation on housing passed by the Committee on Banking and Currency this year.

Mr. COTTON asked and was given permission to extend his remarks in the RECORD in three instances and include quotations and extraneous matter.

Mr. GAMBLE asked and was given permission to extend his remarks in the RECORD in two instances, to include in one letters and in the other a letter from a constituent.

Mr. MCGREGOR asked and was given permission to extend his remarks in the RECORD and include excerpts.

Mr. THOMAS of Texas (at the request of Mr. PLUMLEY) was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. ENGLE of California asked and was given permission to extend his remarks in the RECORD.

Mr. KLEIN asked and was given permission to extend his remarks in the RECORD in four instances and include in each extraneous matter.

Mr. MULTER (at the request of Mr. KLEIN) was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD in five instances and to include in each excerpts.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. BENNETT of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENNETT of Michigan. Mr. Speaker, this morning I voted for the bill to provide for a temporary draft but I did so with considerable skepticism and reluctance. The wisdom of peacetime conscription in a free country is always open to serious challenge. It is a dangerous power to extend in time of peace except upon the most stringent and limited terms. In my judgment, its neces-

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued June 22, 1948
For actions of June 19 & 20, 1948
Cong. Record - June 21, 1948
80th-2nd, No. 114

CONTENTS

Adjournment.....11,21	Fertilizers.....4,44	Personnel.....13,22,29
Agricultural appropria- tion Act, 1949.....42	Flood control.....12	Postal rates.....13
Agricultural commodities.23,43	Food and drugs.....47	Prices.....25
Appropriations.....4,12,38	Foreign affairs. Relief.....4,30	Relief, domestic.....10,35
C.C.C.....2	Forests and forestry.....37	Roads.....32a
Claims.....12	Housing.....5,7,17,33	Selective service.....12
Commendations.....15	Insect control.....40	Strategic materials...9,12
Committees.....14	Labor, farm.....3,16	Sugar.....36
Cooperatives.....45	Lands.....20	Territories and pos- sessions.....6,19
Disaster relief.....12,35	Lands, farm.....8	Trade, foreign.....4,12,27
Displaced persons.....12	Lands, reclamation...41,46	Transportation.....19,39
Education.....34	Livestock and meat...18,40	Travel.....48
Electrification, rural....32	Machinery, farm.....4	Veterans' benefits.....5
Farm program.....1,26	Minimum wages.....28	Water pollution.....12
Federal aid.....34	Penalty mail.....12	Wool.....5

HIGHLIGHTS: Both Houses agreed to conference reports on: Foreign-aid appropriation bill; farm-program bill; second deficiency appropriation bill; CCC charter bill; and pay-raise bill. House passed farm-labor bill; Senate concurred in House amendments. Both Houses adjourned until Dec. 31 subject to recall by majority leadership. President approved Agricultural Appropriation Act, 1949.

SENATE

1. FARM PROGRAM. Both Houses agreed to the conference report on H.R. 6248, the long-range farm program bill (pp. 9448, 9508-16). The conference report adopts the House version until Jan. 1, 1950, with an amendment regarding the base period for Md. tobacco; makes the Senate version of the price-support and parity-formula provisions effective Jan. 1, 1950; includes the Sec. 32 carryover provision and the strengthened Sec. 22 (import control) language; omits the Senate reorganization and declaration-of-policy provisions. This bill will now be sent to the President. (House vote on the bill was 147-70).
2. C.C.C. CHARTER. Both Houses agreed to the conference on S. 1322, to provide for a Federal charter for Commodity Credit Corporation (pp. 9422-4, 9483-5). This bill will now be sent to the President. The House Managers state that:
"In general, the conference substitute follows the language of the House amendment. The major differences between the conference substitute and the House amendment are indicated below.
"The Senate bill provided that Commodity Credit Corporation shall have the immunities of the United States from State statutes of limitations. The House amendment did not contain such a provision. Under the conference substitute a four year statute of limitations will apply to suits brought by or against the

corporation.

"Under the House amendment not more than two employees of the Corporation or any department or agency of the Federal Government could serve as directors of the Corporation. The conference substitute increases this number to three.

"The conference substitute contains a provision not in the House amendment authorizing the Secretary of Agriculture to appoint an interim Board consisting of five members, including the Secretary, who shall serve until October 1, 1948."

3. FARM LABOR. Concurred in the House amendments to S. 2767, to provide for recruitment and distribution of farm labor by the USES, Federal Security Agency (pp. 9448, 9455). This bill will now be sent to the President.

4. FOREIGN AID APPROPRIATION BILL. Both Houses agreed to the conference report on this bill (the House vote was 318-62), H.R. 6801 (pp. 9412-4, 9466-73). This bill will now be sent to the President.

As finally passed the bill provides as follows:

Economic Cooperation Administration, \$4,000,000,000, for the first 15 months of the program, but with the provision "That the entire amount may be apportioned for obligation or may be obligated and expended, if the President, after recommendation by the Administrator, deems such action necessary to carry out the purposes of said Act, during the period ending April 2, 1949, the first year of the program.

Assistance to Trieste, \$20,000,000, on the same basis.

International Children's Emergency Fund, \$35,000,000 (House figure \$60,000,000; Senate figure, \$20,000,000), fiscal year 1949.

Assistance to Greece and Turkey, \$225,000,000 (House figure \$200,000,000; Senate figure \$250,000,000), fiscal years 1948 and 1949.

Assistance to China, \$400,000,000 (House figure; Senate figure \$460,000,000 first year of the program.

Government and relief in occupied areas, \$1,300,000,000 (House figure, \$1,250,000,000; Senate figure \$1,325,000,000), fiscal year 1949.

International Refugee Organization, \$70,710,228 (same as budget), fiscal year 1949.

The following language was agreed to under the general provisions:

"Sec. 202. No funds made available under the authority of this Act shall be used for the purchase in bulk of any commodities (other than commodities procured by or in the possession of the Commodity Credit Corporation pursuant to Act of July 1, 1941 (55 Stat. 498), as amended), at prices higher than the market price prevailing in the United States at the time of the purchase adjusted for differences in the cost of transportation to destination, quality, and terms of payment. Provided, That no funds available under this Act shall be used for the purchase of wool other than from existing stocks owned by the Commodity Credit Corporation, unless or until such stocks are exhausted.

"Sec. 203. No part of the funds herein appropriated shall be used to purchase farm machinery, including tractors, in the United States in an amount which will bring the total exports of such machinery and tractors during the period for which this appropriation is made, from the United States, by or for the benefit of the countries participating in the European recovery program, to more than \$75,000,000.

"Sec. 204. Whenever an export license for a commodity, the production or shipment of which to a nonparticipating country was contracted for in good faith prior to March 1, 1948; is denied or cannot be obtained under section 6 of the Act of July 2, 1940 (54 Stat. 714), as amended, the Administrator shall provide for the procurement of such commodity to transfer to a participating country in accordance with the requirements of such country, at not less than the contract price of such commodity to the producer or exporter, as the case

a Federal commission on services for the physically handicapped, and to define its duties. To Labor and Public Welfare Committee. (p. 9401.)

ITEMS IN APPENDIX

3. AGRICULTURAL COMMODITIES. Extension of remarks of Rep. Fisher, Tex., favoring the establishment of a revolving fund for the purchase of agricultural commodities to be processed in occupied areas and sold (pp. A4259-60).
Extension of remarks of Rep. Brooks, La., favoring the above bill (pp. A4279-80).
4. AGRICULTURAL APPROPRIATIONS. Sen. Brooks, Ill., inserted E. A. O'Neal's (American Farm Bureau Federation) letter commending accomplishments of the Subcommittee on agricultural appropriations (p. A4259).
5. PRICES. Rep. Lane, Mass., inserted his recent radio address, "Rising Prices-- Public Enemy No. 1" (pp. A4257-8).
Rep. Havenner, Calif., inserted a Trainman News article on the effect of the military program on prices (pp. A4311-2).
6. FARM PROGRAM. Extension of remarks of Rep. Donengeaux, La., discussing his record on agricultural legislation (pp. A4266-72).
Rep. Bennett, Mo., inserted and discussed his voting record on farm legislation in the 80th Congress (pp. A4288-90).
Extension of remarks of Rep. Bennett, Mo., inserting and discussing endorsement of his record by farmers and their spokesmen (pp. A4302-4).
Sen. Unstead, N.C., inserted his recent radio address which included comments on the farm program (pp. A4360-2).
7. FOREIGN TRADE. Rep. Bloom, N.Y., inserted James A. Farley's recent address, "Selling Peace Through World Trade" (pp. A4247-8).
Rep. Goodwin, Mass., inserted a Malden (Mass.) Evening News editorial on extension of the Trade Agreements Act (p. A4295).
Rep. Love, W.Va., inserted a Wheeling (W.Va.) Intelligence editorial criticizing reciprocal trade agreements (p. A4341).
8. MINIMUM WAGES. Extension of remarks of Rep. Isacson, N.Y., explaining his bill to provide for a \$1 per hour minimum wage, which "would remove the agricultural 'exemption' from the act except for bona fide farmers" (pp. A4261-2).
9. FEDERAL PAY INCREASES. Various remarks and insertions on pay increases for Federal employees (pp. A4275, A4293, A4323, A4331, A4345-6).
10. FOREIGN AID. Extension of remarks of Rep. Sanborn, Idaho, discussing "Aspects of the Marshall Plan" (pp. A4283-5).
11. HEALTH. Extension of remarks of Rep. Isacson, N.Y., in favor of a national health program (pp. A4291-3).
12. RURAL ELECTRIFICATION. Extension of remarks of Rep. D'Ewart, Mont., commending REA for its program in rural electrification and discussing appropriations for REA (pp. A4314-5).
13. ROADS. Extension of remarks of Rep. McGregor, Ohio, favoring authorizations for farm-to-market roads (pp. A4324-6).
14. HOUSING. Rep. Byrne, N.Y., inserted a N.Y. Times editorial, "Housing: A Party

Test" (p.A4338).

Rep. Kennedy, Mass., inserted a N.Y. Herald Tribune editorial, "Housing and the Rules Committee" (p. A4344).

34. EDUCATION. Extension of remarks of Rep. Blatnik, Minn., in favor of Federal aid for education (p. A4339).

35. FLOOD RELIEF. Rep. Mack, Wash., inserted his statement before the Banking and Currency Committee favoring provision for flood disaster loans by RFC (p.A4341).

BILLS WHICH HAVE BECOME PUBLIC LAW

36. SUGAR PAYMENTS. H.R. 5174 authorizes and directs the Commodity Credit Corporation to make adjustment payments in the amount of \$294,113.63 from corporate funds to three Puerto Rican producers and one Hawaiian producer on the 1945-46 crop Puerto Rican raw cane sugar and the 1946 crop Hawaiian raw cane sugar, respectively. Approved June 19 (Public Law 708, 80th Cong.).

37. NATIONAL FORESTS. S. 1037 extends the boundary of the Malad Unit of the Carib National Forest, Idaho, for an average of slightly less than a mile; transfer to national forest status federally owned land (11,000 acres) within the area which comprises some 71,000 acres; and facilitates later transfers to national forest ownership, where needed, by making the lands subject to the Forest Exchange Act of 1922. Approved June 16 (Public Law 650, 80th Cong.).

38. SUPPLEMENTAL FEDERAL SECURITY APPROPRIATION ACT, 1949. H.R. 6355 transfers the United States Employment Service from the Labor Department to Federal Security Agency; provides funds for that Service, including grants to States for public employment offices; provides funds for the Bureau of Employment Security and various other agencies of the Federal Security Agency. Became law June 16 (Public Law 646, 80th Cong.).

39. TRANSPORTATION. S. 110 amends the Interstate Commerce Act so as to authorize rate agreements among carriers without regard to the anti-trust laws but subject to approval of the Interstate Commerce Commission. Became law June 17 (Public Law 662, 80th Cong.).

40. INSECT CONTROL; LIVESTOCK. S. 1249 authorizes USDA, independently or in cooperation with the States or local governments, to conduct additional research and investigations on the problems of eradicating cattle grubs and to undertake measures to eradicate these parasites. Approved June 16 (Public Law 651, 80th Cong.).

41. RECLAMATION. S. 1987 authorizes the Secretary of the Interior to construct the Preston Bench project, Idaho, in accordance with the Federal reclamation laws. Approved June 15 (Public Law 644, 80th Cong.).

42. AGRICULTURAL APPROPRIATION ACT, 1949. H.R. 5883. Approved June 19 (Public Law 712, 80th Cong.).

COMMITTEE HEARINGS Released by G.P.O.

43. AGRICULTURAL COMMODITIES. S. 2376, to provide a revolving fund for purchase of agricultural commodities to be processed in occupied areas and sold. House Armed Services Committee.

44. FERTILIZERS. 1948 Fertilizer Supplies. House Agriculture Committee.

AGRICULTURAL BILL OF 1948

JUNE 19, 1948.—Ordered to be printed

Mr. HOPE, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 6248]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *That this Act may be cited as the "Agricultural Act of 1948."*

TITLE I—1949 PRICE STABILIZATION

SECTION 1. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed through any instrumentality or agency within or under the direction of the Department of Agriculture, by loans, purchases, or other operations—

(a) To support prices received by producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950, if producers have not disapproved marketing quotas for such commodity for the marketing year beginning in the calendar year in which the crop is harvested. The price support authorized by this subsection shall be made available as follows:

(1) To cooperators at the rate of 90 per centum of the parity price for the commodity as of the beginning of the marketing year;

(2) To noncooperators at the rate of 60 per centum of the rate specified in (1) above and only on so much of the commodity as would be subject to penalty if marketed.

All provisions of law applicable with respect to loans under the Agricultural Adjustment Act of 1938, as amended, shall, insofar as they are consistent with the provisions of this subsection, be applicable with respect to loans or other price-support operations authorized under this subsection, except that for the purpose of computing the parity price for Maryland tobacco the base period shall be the period August 1936 to July 1941 in lieu of the period August 1919 to July 1929.

(b) To support until January 1, 1950, a price to producers of commodities with respect to which the Secretary of Agriculture by public announcement pursuant to the provisions of the Act of July 1, 1941, as amended, requested an expansion of production of not less than 60 per centum of the parity or comparable price therefor nor more than the level at which such commodity was supported in 1948, except that Irish potatoes harvested before January 1, 1949, milk and its products, hogs, chickens, and eggs shall be supported at 90 per centum of the parity or comparable price. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this subsection if the production or consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for the commodities referred to in (a) hereof. In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

(c) Sections 1 and 3 of the Act approved August 5, 1947 (Public Law 360, Eightieth Congress), are amended by striking out in each section the date "December 31, 1948" wherever it appears and inserting in lieu thereof the date "June 30, 1950".

(d) It is hereby declared to be the policy of the Congress that the lending and purchase operations of the Department of Agriculture (other than those referred to in subsections (a), (b), and (c) hereof) shall be carried out until January 1, 1950 so as to bring the price and income of the producers of other agricultural commodities not covered by subsections (a), (b), and (c) to a fair parity relationship with the commodities included under subsections (a), (b), and (c), to the extent that funds for such operations are available after taking into account the operations with respect to the commodities covered by subsections (a), (b), and (c). In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

SEC. 2. From any funds available to the Department of Agriculture or any agency operating under its direction for price support operations or for the disposal of agricultural commodities, the Secretary of Agriculture is authorized and directed to use such sums as may be necessary to carry out the provisions of section 1 of this Act.

SEC. 3. Section 22 of the Agricultural Adjustment Act, as added by section 31 of the Act of August 24, 1935 (49 Stat. 773), reenacted by section 1 of the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246), as amended, is hereby amended to read as follows:

"SEC. 22. (a) Whenever the President has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify.

"(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 per centum ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a), of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: Provided, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 per centum of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: And provided further, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine.

"(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States.

"(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision

thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section.

"(e) Any decision of the President as to the facts under this section shall be final.

"(f) No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party."

SEC. 4. Section 8 (a), as amended, of the Soil Conservation and Domestic Allotment Act is amended (a) by striking out "January 1, 1949" wherever appearing therein and inserting in lieu thereof "January 1, 1951", and (b) by striking out "December 31, 1948" and inserting in lieu thereof "December 31, 1950".

SEC. 5. Notwithstanding any of the provisions of this Act, the Act of July 28, 1945 (59 Stat. 506) shall continue in effect.

SEC. 6. This title shall take effect on January 1, 1949, except that sections 3 and 4 shall take effect on the date of enactment of this Act.

TITLE II—AMENDMENTS TO THE AGRICULTURAL ADJUSTMENT ACT OF 1938

DEFINITIONS OF "PARITY PRICE", "CARRY-OVER", "NORMAL SUPPLY", AND "TOTAL SUPPLY"

SEC. 201. Section 301 of the Agricultural Adjustment Act of 1938 is amended—

(a) By striking out paragraphs (1) and (2) of subsection (a) and inserting in lieu thereof the following:

"(1) (A) The 'parity price' for any agricultural commodity, as of any date, shall be determined by multiplying the adjusted base price of such commodity as of such date by the parity index as of such date.

"(B) The 'adjusted base price' of any agricultural commodity, as of any date, shall be (i) the average of the prices received by farmers for such commodity, at such times as the Secretary may select during each year of the ten-year period ending on the 31st of December last before such date, or during each marketing season beginning in such period if the Secretary determines use of a calendar year basis to be impracticable, divided by (ii) the ratio of the general level of prices received by farmers for agricultural commodities during such period to the general level of prices received by farmers for agricultural commodities during the period January 1910 to December 1914, inclusive.

"(C) The 'parity index', as of any date, shall be the ratio of (i) the general level of prices for articles and services that farmers buy, interest on farm indebtedness secured by farm real estate, and taxes on farm real estate, for the calendar month ending last before such date to (ii) the general level of such prices, rates, and taxes during the period January 1910 to December 1914, inclusive.

"(D) The prices and indices provided for herein, and the data used in computing them, shall be determined by the Secretary, whose determination shall be final.

"(E) Notwithstanding the provisions of subparagraph (A), the transitional parity price for any agricultural commodity, computed as provided in this subparagraph, shall be used as the parity price for such commodity until such date after January 1, 1950, as such transitional

parity price may be lower than the parity price, computed as provided in subparagraph (A), for such commodity. The transitional parity price for any agricultural commodity as of any date shall be—

“(i) its parity price determined in the manner used prior to the effective date of the Agricultural Act of 1948, less

“(ii) five per centum of the parity price so determined multiplied by the number of full calendar years which, as of such date, have elapsed after January 1, 1949.

“(F) Notwithstanding the provisions of subparagraphs (A) and (E), if the parity price for any agricultural commodity, computed as provided in subparagraphs (A) and (E) appears to be seriously out of line with the parity prices of other agricultural commodities, the Secretary may, and upon the request of a substantial number of interested producers shall, hold public hearings to determine the proper relationship between the parity price of such commodity and the parity prices of other agricultural commodities. Within sixty days after commencing such hearing the Secretary shall complete such hearing, proclaim his findings as to whether the facts require a revision of the method of computing the parity price of such commodity, and put into effect any revision so found to be required.

“(2) ‘Parity’, as applied to income, shall be that gross income from agriculture which will provide the farm operator and his family with a standard of living equivalent to those afforded persons dependent upon other gainful occupation. ‘Parity’ as applied to income from any agricultural commodity for any year, shall be that gross income which bears the same relationship to parity income from agriculture for such year as the average gross income from such commodity for the preceding ten calendar years bears to the average gross income from agriculture for such ten calendar years.”

(b) By amending paragraph (3) (A) of subsection (b) to read as follows:

“(A) ‘Carry-over’, in the case of corn, rice, and peanuts for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, not including any quantity which was produced in the United States during the calendar year then current.”

(c) By amending paragraph (3) (B) of subsection (b) to read as follows:

“(B) ‘Carry-over’ of cotton for any marketing year shall be the quantity of cotton on hand within the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current, plus the quantity on hand within the United States at the beginning of such marketing year which was produced outside the United States.”

(d) By striking out paragraph (10) of subsection (b) and inserting in lieu thereof the following:

“(10) (A) ‘Normal supply’ in the case of corn, cotton, rice, wheat, and peanuts for any marketing year shall be (i) the estimated domestic consumption of the commodity for the marketing year ending immediately prior to the marketing year for which normal supply is being determined, plus (ii) the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus (iii) an allowance for carry-over. The allowance for carry-over shall be the following percentage of the sum of the consumption and exports used in computing normal supply: 7 per centum in the case of corn; 30 per centum in the case of cotton; 10

per centum in the case of rice; 15 per centum in the case of wheat; and 15 per centum in the case of peanuts. In determining normal supply the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary.

"(B) 'Normal supply' in the case of tobacco shall be a normal year's domestic consumption and exports, plus 175 per centum of a normal year's domestic consumption and 65 per centum of a normal year's exports as an allowance for a normal carry-over."

(e) By amending paragraph (16) of subsection (b) to read as follows:

"(A) 'Total supply' of cotton, wheat, corn, rice, and peanuts for any marketing year shall be the carry-over of the commodity for such marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year.

"(V) 'Total supply' of tobacco for any marketing year shall be the carry-over at the beginning of such marketing year plus the estimated production thereof in the United States during the calendar year in which such marketing year begins, except that the estimated production of type-46 tobacco during the marketing year with respect to which the determination is being made shall be used in lieu of the estimated production of such type during the calendar year in which such marketing year begins in determining the total supply of cigar filler and cigar binder tobacco."

PRICE SUPPORT

SEC. 202. (a) Section 302 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"SEC. 302. (a) The Secretary, through the Commodity Credit Corporation (except as provided in subsection (c)) and other means available to him, is authorized to support prices of agricultural commodities to producers through loans, purchases, payments, and other operations. Except as otherwise provided in this section, the amounts, terms, and conditions of such price support operations, and the extent to which such operations are carried out, shall, in the case of operations carried out by Commodity Credit Corporation, be determined by the Corporation with the approval and subject to the direction of the Secretary, and, in the case of operations carried out by other means, be determined by the Secretary. In making such determinations, consideration shall be given to (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported, (3) the availability of funds, (4) the perishability of the commodity, (5) its importance to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price support operation, (7) the need for offsetting temporary losses of export markets, and (8) the ability and willingness of producers to keep supplies in line with demand. Compliance by the producer with acreage allotments, production goals, and marketing practices prescribed by the Secretary may be required as a condition of eligibility for price support. The Secretary shall in all cases give consideration to the practicability of supporting prices indirectly, as by the development of improved merchandising methods, rather than directly by purchase or loan.

"(b) (1) Price support shall be made available to producers of any basic agricultural commodity at levels determined as hereinafter provided in

this subsection. On the basis of the latest available statistics of the Department of Agriculture as of the beginning of each marketing year for each such basic agricultural commodity, the Secretary shall, with respect to such marketing year and such basic agricultural commodity—

“(i) estimate the total supply;

“(ii) determine the normal supply; and

“(iii) determine the percentage which the estimated total supply is of the normal supply (such percentage being referred to herein as the ‘supply percentage’).

“(2) The level at which the price of such basic agricultural commodity for such marketing year shall be supported for cooperators (other than cooperators outside the commercial corn-producing area, in the case of corn) shall not exceed 90 per centum of the parity price of such commodity as of the beginning of the marketing year or be less than the percentage of its parity price as of the beginning of such marketing year determined from the following table:

The level of support shall be not less than the following percentage of the parity price:

If the supply percentage is:

Not more than 70	90
More than 70 but not more than 72	89
More than 72 but not more than 74	88
More than 74 but not more than 76	87
More than 76 but not more than 78	86
More than 78 but not more than 80	85
More than 80 but not more than 82	84
More than 82 but not more than 84	83
More than 84 but not more than 86	82
More than 86 but not more than 88	81
More than 88 but not more than 90	80
More than 90 but not more than 92	79
More than 92 but not more than 94	78
More than 94 but not more than 96	77
More than 96 but not more than 98	76
More than 98 but not more than 102	75
More than 102 but not more than 104	74
More than 104 but not more than 106	73
More than 106 but not more than 108	72
More than 108 but not more than 110	71
More than 110 but not more than 112	70
More than 112 but not more than 114	69
More than 114 but not more than 116	68
More than 116 but not more than 118	67
More than 118 but not more than 120	66
More than 120 but not more than 122	65
More than 122 but not more than 124	64
More than 124 but not more than 126	63
More than 126 but not more than 128	62
More than 128 but not more than 130	61
More than 130	60

“(3) Notwithstanding the foregoing provisions of this section—

“(A) the minimum level of price support to cooperators for any basic agricultural commodity shall be 120 per centum of the minimum level determined from the foregoing table, if acreage allotments are in effect at the beginning of the planting season for such commodity, or if marketing quotas are in effect at the beginning of the marketing year for such commodity; but in no case shall the level of price support for any commodity be increased thereby above 90 per centum of its parity price as of the beginning of the marketing year; and

“(B) the level of price support for any basic agricultural commodity normally marketed in any marketing year with respect to which marketing quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity as of the beginning of such marketing year.

“(4) The level at which the price of corn shall be supported for cooperators outside the commercial corn-producing area shall be 75 per centum of the level at which the price is supported for cooperators in the commercial corn-producing area with respect to corn.

“(5) Notwithstanding the foregoing provisions of this section, the level of price support to cooperators for any crop of tobacco for which marketing quotas are in effect shall be 90 per centum of its parity price as of the beginning of the marketing year.

“(c) The support price for any nonbasic agricultural commodity shall not exceed 90 per centum of the parity price for the commodity as of the beginning of the marketing year or season in the case of a commodity marketed on a marketing year or seasonal basis, and as of January 1 in the case of any other commodity. Any price support operation undertaken with respect to either turkeys or chickens shall be applicable to all chickens, including broilers, appropriate adjustments being made as provided in subsection (e) of this section: Provided, That if any price support operation is undertaken with respect to either chickens or turkeys, the same parity price support operation shall be undertaken with respect to ducks and ducklings and other poultry. The price of wool shall be supported at such level, not in excess of 90 per centum nor less than 60 per centum of its parity price as of January 1, as the Secretary may consider necessary in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool. The price of any kind of Irish potatoes harvested after December 31, 1949, shall be supported at not less than 60 per centum nor more than 90 per centum of the parity price for Irish potatoes as of the beginning of its marketing season. The Commodity Credit Corporation shall not carry out any operation to support the price of any nonbasic agricultural commodity (other than Irish potatoes) which is so perishable in nature as not to be reasonably storable without excessive loss or excessive cost; but any such operation may be carried out by the Secretary through other means available to him such as those provided by section 32, Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended: Provided, That the foregoing provisions shall not be construed to prohibit the Commodity Credit Corporation from supporting the price of any perishable nonbasic agricultural commodity by a loan, purchase, payment, or other operation undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity: Provided further, That the Secretary, in carrying out programs with respect to perishable and non-perishable commodities under section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act, may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract) and make advance payments to it: And provided further, That in any fiscal year, if at the end of the preceding fiscal year the sums appropriated under said section 32 and remaining unexpended do not exceed \$300,000,000, Commodity Credit Corporation may, as provided in section 302 (a) of this Act, carry out any operation to support the price of any such perishable, nonbasic agricultural commodity

to the extent that the reserve for the postwar price support of agriculture established pursuant to the First Supplemental Appropriation Rescission Act of 1946 (60 Stat. 8) and other funds appropriated for agricultural price support are sufficient to cover any losses which may be incurred in connection with such operation.

“(d) Notwithstanding the foregoing provisions of this section, price support operations at levels in excess of the maximum level of price support otherwise prescribed in this section may be undertaken whenever it is determined by the Secretary after reasonable public notice and public hearing with records of said hearing and a finding thereon by said Secretary available to the public that price support at such increased levels is necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security.

“(e) Appropriate adjustments may be made in the support price for any commodity for differences in grade, type, staple, quality, location, and other factors. Such adjustments shall be made in such manner that the average support price for such commodity in each marketing year will, on the basis of the anticipated incidence of such factors, be equal to the level determined as provided in this section for such marketing year.

“(f) For the purposes of this section—

“(1) A ‘cooperator’ with respect to any basic agricultural commodity shall be a producer on whose farm the acreage planted to the commodity does not exceed the farm acreage allotment for the commodity under this title, or, in the case of price support for corn to a producer outside the commercial corn-producing area, a producer who complies with conditions of eligibility prescribed by the Secretary. For the purposes of this subsection a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded such allotment.

“(2) A ‘basic agricultural commodity’ shall mean any of the commodities cotton, wheat, corn, tobacco, rice, and peanuts of a crop harvested after December 31, 1949.

“(3) A ‘nonbasic agricultural commodity’ shall mean any agricultural commodity other than a basic agricultural commodity.

“(g) No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan made under authority of this section unless such loan was obtained through fraudulent representations by the producer. This provision shall not, however, be construed to prevent Commodity Credit Corporation or the Secretary from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program.

“(h) The Commodity Credit Corporation shall not sell any farm commodity owned or controlled by it at less than (1) a price determined on a pricing basis for its stocks of such commodity on hand, which makes due allowance for grade, type, quality, location, and other factors and which is reasonably calculated to reimburse it for costs incurred by it with respect to such stocks; (2) a price halfway between the support price, if any, and the parity price of such commodity; or (3) a price equivalent to 90 per centum of the parity price of such commodity, whichever price is the lowest, except that the foregoing restrictions shall not apply to (A) sales for new or byproduct uses; (B) sales of peanuts for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any

price-support program; (D) sales of commodities which have substantially deteriorated in quality or of nonbasic perishable commodities where there is danger of loss or waste through spoilage; (E) sales for the purpose of establishing claims against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool; and (H) sales for other than primary uses."

(b) Section 381 (c) of the Agricultural Adjustment Act of 1938 is repealed.

MARKETING QUOTAS

CORN

SEC. 203. (a) The first sentence of section 322 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever in any calendar year the Secretary determines—

"(1) that the total supply of corn for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum, or

"(2) that the total supply of corn for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for corn for three successive months of the marketing year so ending does not exceed 66 per centum of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect in the commercial corn producing area for the crop of corn grown in such area in the next succeeding calendar year and shall remain in effect until terminated in accordance with the provisions of this title."

(b) Sections 322 (b) and 322 (c) of the Agricultural Adjustment Act of 1938 and the joint resolution entitled "Joint resolution relating to section 322 of the Agricultural Adjustment Act of 1938, as amended", approved July 26, 1939 (53 Stat. 1125), are hereby repealed.

(c) Section 322 (d) of the Agricultural Adjustment Act of 1938 is amended (1) by striking out "(c)" and inserting in lieu thereof "(a)", and (2) by striking out "September" and inserting in lieu thereof "March".

WHEAT

SEC. 204. (a) Section 335 (a) of the Agricultural Adjustment Act of 1938 is amended by striking out the first two sentences thereof and inserting in lieu thereof the following:

"Whenever in any calendar year the Secretary determines—

"(1) that the total supply of wheat for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

"(2) that the total supply of wheat for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for wheat for three successive months of the marketing year so ending does not exceed 66 per centum of parity

the Secretary shall, not later than July 1 of such calendar year, proclaim such fact and, during the marketing year beginning July 1 of the next

succeeding calendar year and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of wheat."

(b) The first sentence of section 336 of the Agricultural Adjustment Act of 1938 is amended by striking out "June 10" and inserting in lieu thereof "July 25".

COTTON

SEC. 205. The first sentence of section 345 of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever during any calendar year the Secretary determines—

"(1) that the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 8 per centum; or

"(2) that the total supply of cotton for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for cotton for three successive months of such marketing year does not exceed 66 per centum of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect with respect to cotton during the marketing year beginning in the next succeeding calendar year."

RICE

SEC. 206. The first sentence of section 355 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever during any calendar year the Secretary determines—

"(1) that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

"(2) that the total supply of rice for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for rice for three successive months of such marketing year does not exceed 66 per centum of parity

the Secretary shall, not later than December 31 of such calendar year, proclaim such fact and, during the marketing year beginning in the next succeeding calendar year and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of rice by producers."

SEC. 207. The Agricultural Adjustment Act of 1938 is amended—

(a) By inserting in section 328 after the words "outside the commercial corn-producing area" the following: "or imported";

(b) By inserting in section 333 after "for such crop" the following: "and imports";

(c) By inserting in section 343 (a) after "August 1 of such succeeding calendar year" the following: "and imports";

(d) By striking out sections 359 (d) and 359 (e);

(e) By striking out of section 385 "or loan" and inserting in lieu hereof "loan, or price support operation".

TOBACCO

SEC. 208. Section 312 (a) of the Agricultural Adjustment Act of 1938 is amended by inserting before the period at the end of the first sentence a colon and the following: "Provided, That the Secretary shall proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year, and shall proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco, and, beginning on the first day of the marketing year next following and continuing throughout such year, a national marketing quota shall be in effect for the tobacco marketed during such marketing year."

TITLE III—MISCELLANEOUS

SECTION 32 FUNDS

SEC. 301. Section 32, as amended, of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (U. S. C., title 7, sec. 612c), is amended by adding at the end thereof the following: "The sums appropriated under this section shall, notwithstanding the provisions of any other law, continue to remain available for the purposes of this section until expended; but any excess of the amount remaining unexpended at the end of any fiscal year over \$300,000,000 shall, in the same manner as though it had been appropriated for the service of such fiscal year, be subject to the provisions of section 3690 of the Revised Statutes (U. S. C., title 31, sec. 712), and section 5 of the Act entitled 'An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June thirtieth, eighteen hundred and seventy-five, and for other purposes' (U. S. C., title 31, sec. 713)."

"PARITY"—OTHER STATUTES

SEC. 302. (a) Section 2 (1) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended to read as follows:

"(1) Through the exercise of the powers conferred upon the Secretary of Agriculture under this title, to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices as defined by section 301 (a) (1) of the Agricultural Adjustment Act of 1938."

(b) Section 8c (18) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended to read as follows:

"(18) The Secretary of Agriculture, prior to prescribing any term in any marketing agreement or order, or amendment thereto, relating to milk or its products, if such term is to fix minimum prices to be paid to producers or associations of producers, or prior to modifying the price fixed in any such term, shall ascertain the parity prices of such commodities.

The prices which it is declared to be the policy of Congress to establish in section 2 of this title shall, for the purposes of such agreement, order, or amendment, be adjusted to reflect the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk or its products in the marketing area to which the contemplated marketing agreement, order, or amendment relates. Whenever the Secretary finds, upon the basis of the evidence adduced at the hearing required by section 8b or 8c, as the case may be, that the parity prices of such commodities are not reasonable in view of the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk and its products in the marketing area to which the contemplated agreement, order, or amendment relates, he shall fix such prices as he finds will reflect such factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest. Thereafter, as the Secretary finds necessary on account of changed circumstances, he shall, after due notice and opportunity for hearing, make adjustments in such prices."

(c) Section 8c (17) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended by striking out "and section 8e".

(d) Section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is repealed.

(e) Section 4 of the Agricultural Marketing Agreement Act of 1937, as amended, is amended by inserting after the section designation the subsection designation "(a)" and by adding at the end thereof a new subsection to read as follows:

"(b) Any program in effect under the Agricultural Adjustment Act, as reenacted and amended by this Act, on the effective date of section 302 of the Agricultural Act of 1948 shall continue in effect without the necessity for any amendatory action relative to such program, but any such program shall be continued in operation by the Secretary of Agriculture only to establish and maintain such orderly marketing conditions as will tend to effectuate the declared purpose set out in section 2 or 8c (18) of the Agricultural Adjustment Act, as reenacted and amended by this Act."

(f) All references in other laws to—

(1) parity,

(2) parity prices,

(3) prices comparable to parity prices, or

(4) prices to be determined in the same manner as provided by the Agricultural Adjustment Act of 1938 prior to its amendment by this Act for the determination of parity prices,

with respect to prices for agricultural commodities and products thereof, shall hereafter be deemed to refer to parity prices as determined in accordance with the provisions of section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended by this Act.

EFFECTIVE DATE

SEC. 303. Titles II and III of this Act shall take effect on January 1, 1950.

And the Senate agree to the same.

That the Senate recede from its amendment to the title.

CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
ANTON J. JOHNSON,
GEO. W. GILLIE,

Managers on the Part of the House.

GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,
ELMER THOMAS,
ALLEN J. ELLENDER,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute amendment. The conferees have agreed to a substitute which incorporates the substance of the House bill and titles III and IV of the Senate amendment, with modifications. Except for clarifying, clerical, and minor changes the differences between the House amendment and substitute agreed to in conference are explained below.

The House bill is retained with virtually no change except clarifying and clerical amendments to make it conform to the substitute agreed upon by the conferees, and two minor amendments in substance, one changing the base period for the computation of parity on Maryland tobacco and the other making it clear that the act of July 28, 1945 (59 Stat. 506), relative to dark tobacco remains unchanged. There was added a provision extending until December 31, 1950, authority to make soil conservation payments.

In the substitute amendment agreed to by the conferees that portion which was the House bill now provides for interim price supports on agricultural commodities to continue through the calendar year 1949. Titles III and IV of the Senate bill appear virtually without change as titles II and III of the substitute amendment. In general, these titles provide for a modernization of parity and for a permanent price support program. The effective date of titles II and III of the substitute amendment is January 1, 1950.

Following is a detailed explanation of the provisions of titles II and III:

TITLE II—AMENDMENTS TO AGRICULTURAL ADJUSTMENT ACT OF 1938

Section 201 amends section 301 of the Agricultural Adjustment Act of 1938 in the following respects:

(1) The method of computing parity prices would be changed to the extent necessary to give appropriate recognition to changes in relationships among the prices of the agricultural commodities themselves occurring since the base period, 1910-14, such as those resulting from the discovery of new uses or new methods of production. This section would provide a formula which, while preserving the 1910-14 relationship between farm and nonfarm prices, will reflect

the developments of recent years. The general level would be based on the differences between the 1910-14 and the present prices of things that farmers buy, the parity prices of some commodities would be reduced while others would be increased. This section also provides for a transition from the present method of computing parity prices and for any corrective action which may become necessary in the future. The section would accomplish these objectives in the following manner:

At present the parity price of any agricultural commodity as of any date is computed by—

(i) Preparing a parity index showing the changes in prices of things that farmers buy since the base period 1910-1914; and

(ii) Multiplying the price of the commodity during the base period by the parity index.

The section would change this formula only by substituting an adjusted or moving base price for the 1910-14 price of the commodity. This adjusted base price for the commodity would be a price bearing the same relationship to—

(i) The price of such commodity during the preceding 10 years—

as the general level of prices received by farmers for agricultural commodities during the period 1910-14 bears to—

(ii) The general level of prices received by farmers for agricultural commodities during the same 10 years.

In order to prevent the parity price for any particular commodity from being reduced substantially in any year by reason of this change use of a transitional parity price would limit such reduction to 5 percent per year. The transitional parity price would be the parity price as now computed less 5 percent for each full year elapsed after January 1, 1949. The transitional parity price would be used for a commodity until the first time that the parity price is equal to or above the transitional parity price.

In addition, the Secretary may revise the method of computing any parity price which becomes seriously out of line with the parity prices of other agricultural commodities.

(2) "Parity" as applied to income is redefined for the purpose of establishing a more accurate standard. This change has no substantive effect.

(3) The term "carry over" as applied to cotton, corn, rice, peanuts, and cotton is redefined to include imports. Foreign-stored cotton is excluded. This term was not previously applied to peanuts.

(4) The term "normal supply" as applied to corn, cotton, rice, wheat, and peanuts is redefined to represent current requirements more accurately than has heretofore been the case. Instead of using 10-year averages of exports and domestic consumption in the computation of normal supply, estimated exports for the marketing year for which normal supply is being determined and estimated domestic consumption for the preceding marketing year would be used. The allowance for carry-over provided for in the existing definition of "normal supply" remains the same except in the case of cotton which would be 30 percent in lieu of 40 percent in existing law. The definition in existing law for "normal supply" is not applicable to peanuts but the new definition would be made so. The allowance for carry-over in the case of peanuts would be 15 percent.

Provision is made for adjustments for current trends in consumption and for unusual conditions. The term "normal supply" as applied to tobacco would not be changed.

(5) The term "total supply" has been redefined to cover peanuts and in the case of cotton, wheat, corn, rice, and peanuts to include imports. The term as applied to tobacco has not been changed.

Section 202 would amend section 302 of the Agricultural Adjustment Act of 1938 (which contains the principal permanent price support provisions) to provide as follows:

(1) Price support of any agricultural commodity through loans, purchases, payments, or other operations would be authorized. This authorization provides the necessary flexibility in the choice of methods to be used in supporting prices. Thus it authorizes not only loans and purchases but also direct payments to farmers. The use of indirect methods such as the development of improved merchandising methods is encouraged. In determining the methods to be used, as well as the other terms and conditions of price-support operations, the Secretary and the Commodity Credit Corporation are required to give consideration to (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported, (3) the availability of funds, (4) the perishability of the commodity, (5) its importance to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price-support operation, (7) the ability and willingness of producers to keep supplies in line with demand, and (8) the necessity of offsetting temporary losses of export markets. Compliance with acreage allotments, production goals may be required as a condition of price support.

(2) In the case of the basic commodities price support at from 60 to 90 percent of parity, the minimum level depending upon the relationship of the total supply of each commodity to its normal supply would be required to be made available to cooperators (those who do not exceed farm-acreage allotments); except that if marketing quotas have been disapproved by producers the level of price support would be reduced to 50 percent of parity. If marketing quotas are approved by producers the level of price support which would otherwise be given to the commodity would be increased by 20 percent, but shall not exceed 90 percent. Tobacco would be supported at 90 percent of parity.

(3) Price support for nonbasic commodities is discretionary with the Secretary up to a maximum level of 90 percent of parity. The price of wool, however, is required to be supported at such level between 60 and 90 percent of parity as the Secretary considers necessary in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool. Potatoes are also supported at 60 to 90 percent of parity.

(4) In case the national interest requires, price support operations at levels in excess of 90 percent of parity are permitted with respect to either basic or nonbasic commodities.

(5) Subject to certain exceptions the Commodity Credit Corporation is prohibited from using its funds to carry out any operation to support the price of any nonbasic agricultural commodity which is so perishable in nature as not to be reasonably storable without excessive loss or excessive cost.

(6) Limitations are imposed upon the price at which Commodity Credit Corporation can sell farm commodities subject to a number of exceptions. These limitations and exceptions are generally comparable to those now in effect and are intended to prevent sales of farm commodities by Commodity Credit Corporation in a manner which would impair price support operations with respect to such commodities.

MARKETING QUOTAS

Sections 203, 204, 205, and 206 change the conditions which must be determined by the Secretary to exist before marketing quotas can be imposed upon corn, wheat, cotton, and rice. As reported, the sections would provide that whenever the Secretary determines—

(1) That the total supply of the commodity for the marketing year beginning in the then current calendar year will exceed the normal supply for such marketing year by more than 20 percent (8 percent in the case of cotton), or

(2) That the total supply of the commodity for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending and that the average price for the commodity for three successive months does not exceed 66 percent of parity—

the Secretary shall proclaim marketing quotas for the marketing year beginning in the next succeeding calendar year.

ACREAGE ALLOTMENTS—IMPORTS

Section 207 requires the Secretary to take imports into consideration in determining acreage allotments for corn, wheat, and rice for the purposes of marketing quotas.

AMENDMENTS

Section 208 would amend section 312 (a) of the Agricultural Adjustment Act of 1938 to require the Secretary, first, to proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year, and, second, to proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco. This would mean that, once the Secretary proclaims a marketing quota for any kind of tobacco, he is required to proclaim a marketing quota for that kind of tobacco for each succeeding year without regard to the supply conditions presently required by the statute.

TITLE III—MISCELLANEOUS

SECTION 32 FUNDS

Section 301 provides for accumulation, up to \$300,000,000, of section 32 funds not currently required for program purposes. Section 32 of the act of August 24, 1935 (7 U. S. C. 612c), appropriates for each fiscal year an amount equal to 30 percent of the customs duties for the preceding calendar year, to be used by the Secretary of Agri-

culture to encourage exportation and to increase (by means of diversion programs) domestic consumption of agricultural commodities and products and to reestablish farmers' purchasing power. To the extent that funds annually appropriated by section 32 are not fully utilized during any fiscal year, this provision would permit the balance of the funds not utilized to be carried over to subsequent fiscal years and used for the purpose for which such funds were appropriated. This provision would make it possible to formulate long range surplus disposal programs.

PARITY—OTHER STATUTES

Section 302 conforms the definitions of "parity" contained in other statutes to the definition of "parity" contained in section 301 of the Agricultural Adjustment Act of 1938, as amended by the bill.

CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
ANTON J. JOHNSON,
GEO. W. GILLIE,

Managers on the Part of the House.



Dworshak	Kem	Robertson, Va.
Eaton	Kilgore	Russell
Ellender	Langer	Saltonstall
Feazel	Lucas	Smith
Ferguson	McCarthy	Sparkman
Flanders	McFarland	Stennis
Fulbright	McGrath	Stewart
Green	McMahon	Taft
Gurney	Malone	Thye
Hatch	Martin	Tydings
Hawkes	Maybank	Umstead
Hickenlooper	Millikin	Vandenberg
Hill	Morse	Watkins
Hoey	Murray	Wherry
Holland	Myers	Wiley
Ives	O'Daniel	Williams
Jenner	O'Mahoney	Young
Johnson, Colo.	Pepper	
Johnston, S. C.	Revercomb	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

The question is on the final passage of Senate bill 2756.

Mr. KEM. Mr. President, I do not for a minute pose as an expert in the mining business. I have had, however, an opportunity for observation of that business in connection with the practice of law. In my judgment, there is nothing wrong with the metal market that a higher price will not cure. Most minerals are produced and come into use when the price is raised. If the price is lowered they go into hiding or are not produced. The same applies to the metals with which we are dealing. When the price is increased, production is increased; when the price is reduced, production falls off. There is no problem faced by the small mine today that cannot be cured by high Government metal prices. The proponents of the bill say it is the small mine in which they are particularly interested. What such producers need, in my judgment, and in the judgment of many experienced mining men, is a higher price.

We have never had and never will have, even with subsidies, a sufficiently high price in the United States to justify the operation of every prospect of every kind in the country. That is the dilemma faced by those who currently urge subsidies based upon some such system as proposed in this bill—this price premium plan. They do not know where to draw the line without hurting somebody. If, for example, they believe that a subsidy amounting to 5 cents a pound should be given to eligible lead properties, any mines that could not operate short of the current price of 15 cents plus 5 cents a pound subsidy would feel discriminated against.

I wish to put this question to the Senate, Is it not better for a free market to decide whether a mine shall operate, rather than to have it depend on a Government subsidy? We have had Government subsidies in the past. We had them as recently as last June. We know from recent experience what the subsidy does and what the free market does. I placed in the RECORD a few minutes ago the records of production in different parts of the United States under the free-market plan and under the subsidy plan, and those figures show conclusively that in almost every district the production was larger under the free market than under a fixed regimented subsidy plan.

There is another immediate aspect of subsidies, Mr. President, which I think has been lost sight of, namely, its very impact on the metal market. In times of rising demands for metals and an unsaturated market, the metal produced by virtue of subsidies, if sold on the open market, has a restraining influence as a brake on a higher market. The effect is just the reverse when the market becomes filled and there is oversupply. Then sales of comparatively modest tonnages might even be demoralizing in their influence.

The only experience we have had in this country with subsidies in metal markets, so far as I know, was the recent one during the war that terminated in June 1947. That was a price premium plan not unlike that proposed in the pending bill.

I quoted sometime ago the statement of Mr. Andrew Fletcher, the president of the St. Joseph Lead Co., to the effect that there was a marked drop in efficiency in mines operating in the southeast Missouri district during the operation of the plan because inefficiency was paid for by the Government. There is no incentive, there is no impetus to the private operator, to be efficient, insistent on a full day's work for a full day's pay, when the Government is holding an umbrella over the entire operation. I believe, on adequate evidence, that this experience was had by many mines in our State operating under the premium-price plan.

Some advocates of subsidies say what they are interested in is the marginal mine. I assume by "marginal mine" they mean one that never appeared profitable in a free market. The argument is based, I understand, on the fact that increased production is necessary today. The contention is made that this is only procurable from marginal production; that they have to open up these marginal mines in order to supply the demand.

Let us see how that works out. The record does not bear out the contention. Recently the Hero Mines indicated in its statistical report that 51 mines had been closed because of the termination of the premium-price plan. These 51 mines, closed for that reason, accounted for only 600 tons of lead a month. Of course, 600 tons a month is a very minor matter in a market which produces and consumes a hundred thousand tons and more a month.

As I have said, strangely enough the termination of the premium-price plan came along in June 1947, and, contrary to the expectations of many who studied the situation, instead of falling off, production increased.

I remember very well when a similar bill was under consideration by the Senate in the closing days of the last session. The feeling on the part of the proponents of the bill was that if the price-premium plan were allowed to expire, the whole metal business would go to pot; that very dire consequences would ensue. Induced by that feeling the Congress passed a bill providing for a price-premium plan. The bill, as I recollect, was vetoed by the President. So there was no price-

premium plan, but the dire consequences predicted did not ensue. To the contrary production increased.

This production increased, due partly to the migration of labor from subsidized markets where the output per mine is low, to the larger mines with richer ores where the metal output per day is bound to be higher.

If these gentlemen are really concerned about the actual amount of metal available for military purposes, if they think that the stock piles require increases in size, I think it is clear from the record that the place to secure those increases is not through sending out a lot of people boondoggling and trying to open up some new mines or trying to open some marginal properties, and get them into production again, but to turn to the large, known mineral deposits.

The PRESIDING OFFICER. Will the Senator from Missouri suspend while the Senate may receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6248) to provide for a coordinated agricultural program.

The message also announced that the House had passed the bill (S. 2767) to provide assistance in the recruitment and distribution of farm labor for the increased production, harvesting, and preparation for market of agricultural commodities to meet domestic needs and foreign commitment, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

House Concurrent Resolution 218

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Sunday, June 20, 1948, they stand adjourned until 12 o'clock m. on Friday, December 31, 1948, or until 12 o'clock m. on the third day after the respective Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

SEC. 2. The President pro tempore of the Senate, the Speaker of the House of Representatives, the acting majority leader of the Senate, and the majority leader of the House of Representatives, all acting jointly, shall notify the Members of the Senate and the House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

House Concurrent Resolution 219

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the adjournment of the two Houses until December 31, 1948, the Speaker of the House of Representatives and the President pro tempore of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

Mr. AIKEN. Mr. President—

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Can the Senator from Illinois move the adoption of the report on the farm bill so we can get out of here?

The PRESIDING OFFICER. The Chair is just about to recognize the Senator from Vermont [Mr. AIKEN] if the Senator from Missouri will be so kind as to yield to him.

Mr. KEM. I yield without protest.

LONG-RANGE AGRICULTURAL PROGRAM—CONFERENCE REPORT

Mr. AIKEN. Mr. President, I submit a conference report on the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937, and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The conference report will be read.

The report was read.

(For conference report, see House proceedings of today's RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report.

There being no objection, the Senate proceeded to consider the report.

Mr. AIKEN. The conference report, Mr. President, embodies that part of the House bill which provided temporary price supports for the six basic commodities and for milk, hogs, chickens, and eggs, at 90 percent of parity or comparable price for 1 year. At the conclusion of the 1 year titles III and IV of the Senate long-range farm program, which are the price support part of the farm program, come into effect and continue thereon.

That, in brief, is what the conference bill is.

Mr. RUSSELL. I should like to ask the Senator from Vermont what disposition was accorded the so-called tobacco amendment. Is it still in the bill?

Mr. AIKEN. The amendments adopted by the Senate are still in the bill.

Mr. BARKLEY. Under this bill the amendment which extended the present situation for 2 years has been modified to extend for 1 year, although the bill adopted by the Senate a few days ago takes on from thereon without any change in the Senate bill as passed.

Mr. AIKEN. That is correct. The higher support levels the House proposed will prevail for 1 year instead of a year and a half. Then the titles III and IV of the Senate bill take effect on January 1, 1950, instead of 1949, the date fixed in the bill as it passed the Senate.

There is one little amendment in the conference report which does fix a base period for Maryland 32 tobacco for the period of 1 year.

Mr. TYDINGS. That is in what would be the House bill?

The AIKEN. That is in what would be the House bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. RUSSELL. Mr. President, I shall say only two or three words. I congratulate the Senator from Vermont for the rugged obstinacy he has shown in securing the enactment of his bill. I am glad that we have 1 year to operate under the present program for I believe present laws are more advantageous to the farmers of the country than the Aiken bill which takes effect in January 1950.

Mr. JOHNSON of Colorado. Mr. President, I suggest that the Senator from Georgia include, along with the Senator from Vermont, the Senator from Louisiana [Mr. ELLENDER].

Mr. RUSSELL. I certainly would not deny any honors the Senate conferees deserve, and they deserve the very highest accolade for imposing their will on the House. I refer to the Senator from Louisiana [Mr. ELLENDER], the Senator from Minnesota [Mr. THYE], the Senator from North Dakota [Mr. YOUNG], and the Senator from Oklahoma [Mr. THOMAS] who, I believe, were the conferees on the part of the Senate. But the Senator from Vermont, being the author of the bill, I thought was entitled to perhaps a small measure of credit larger than the other conferees.

Mr. President, I hope the committees of the two Houses which have to deal with agricultural matters will carefully study this legislation, because it has come upon us here at the end of a very lengthy session, a tiring session, and that they will examine it in the 1 year interim we have.

I think the general principle embodied in the Aiken bill is excellent for a normal period in this country. I have not yet been able to reconcile it in my mind as desirable under present conditions, in view of the great demands that are being made and that will be made upon American agriculture to increase production, because I do not believe sufficient incentives are provided to maintain the high levels of production in the future to enable us to meet our commitments under the Marshall plan. In any event, I am still opposed to any program to reduce the amount of parity and commodity loans. Farm income is not too high and Aiken bill will reduce it materially. I hope the next Congress will rewrite the Aiken bill before it takes effect and thereby avoid loss to the already underpaid farmers.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

RECRUITMENT AND DISTRIBUTION OF FARM LABOR

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2767) to provide assistance in the recruitment and distribution of farm labor for the increased production, harvesting, and preparation for market of agricultural commodities to meet domestic needs and foreign commitment, which were, on page 1, lines 3 and 4, to strike out "the Secretary of Labor" and insert "the Administrator of the Federal Security Agency", and on page 2, line 20, to strike out "the Secretary of Labor" and insert

"the Administrator of the Federal Security Agency."

Mr. AIKEN. I move that the Senate concur in the amendments of the House. The motion was agreed to.

STIMULATION OF PRODUCTION AND CONSERVATION OF STRATEGIC AND CRITICAL ORES, METALS, AND MINERALS

The Senate resumed the consideration of the motion of the Senator from Nebraska [Mr. WHERRY] to take up the consideration of the bill (S. 2756) to stimulate the production and conservation of strategic and critical ores, metals, and minerals in the interest of national defense and for the establishment within the Department of the Interior of a Mine Incentive Payments Division, and for other purposes.

Mr. KEM. Mr. President, as I have been saying, there is no reason for speculation as to the effect of the price premium plan on production, because we have the actual figures of last year and of this year showing what the production was under the premium plan and what it has been since. I have put it in the RECORD. It is available there.

Mr. JOHNSTON of South Carolina. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from South Carolina?

Mr. KEM. I will yield without prejudice.

The PRESIDING OFFICER. The Senator yields without prejudice.

Mr. JOHNSTON of South Carolina. I should like to ask unanimous consent, and without prejudice at all to the Senator from Missouri, to have the Senate consider two stamp bills. When they were reached on the calendar I objected to one, and the Senator from New Hampshire [Mr. TOBEY] objected to the other. I do not believe any other Senator objects to the two bills. I want to get them acted upon and off the calendar.

The PRESIDING OFFICER. Will the Senator from Missouri yield to permit the Senator from South Carolina to have action on the bills to which he has referred?

Mr. KEM. I shall be glad to yield for that purpose, if it will have no effect on me.

The PRESIDING OFFICER. The Chair assures the Senator from Missouri that he can resume after action has been taken on the two bills in question.

Mr. WHERRY. I should like to have some information. The Senator from South Carolina asks unanimous consent that the Senate consider what bill?

Mr. JOHNSTON of South Carolina. House Joint Resolution 327, Calendar 1741, and House Joint Resolution 305, Calendar 1753. Both measures provide authorization for issuance of a special series of stamps. When the calendar was called I objected to one measure and the Senator from New Hampshire [Mr. TOBEY] objected to the other.

Mr. BREWSTER. Mr. President, reserving the right to object, as I have indicated, I have been waiting very patiently for the bill which was next on the list presented. I do not think it will take a very long time.

tribute. I only wish I could do it more worthily.

[Mr. MEADE of Kentucky addressed the House. His remarks will appear hereafter in the Appendix.]

HON. WALTER G. ANDREWS

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TABER. Mr. Speaker, WALTER G. ANDREWS, chairman of the Military Affairs Committee, is retiring from Congress this year. He has been with us for 18 years. As chairman of the Military Affairs Committee, he has made a fine record in getting legislation passed, but, more than anything else, in the harmony he has secured in that committee.

Today he has just completed one of the major bills of the session, and he has demonstrated in connection with that operation an ability which we all admire. HAM, as he is very affectionately known to his friends, is a very pleasant fellow socially, and he has been very kind to many of us all through the period here.

I am very sorry that he has felt that his health will not permit him to continue with us. I hope as he goes along in the days to come that he will enjoy the rest that will come to him in his retirement.

I wish him everything good in the days to come.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. COLE of New York. Mr. Speaker, I am reluctant to even raise my voice in joining the expressions uttered by the gentleman from New York [Mr. TABER] with respect to our colleague who has announced his decision to leave us, not because he is not deserving of it, not because his sincerity of purpose has not been recognized and appreciated by those of us who have served with him, not because his devotion to the security of his country has not always been paramount in his thought and effort, but because, if he were here, he would not want me or any of us to make expressions.

HON. PETE JARMAN AND HON. CARTER MANASCO

Mr. BATTLE. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BATTLE. Mr. Speaker, I would like to join my fellow Alabamians in expressing my high esteem for our two coworkers who will not be with us next year, the Honorable PETE JARMAN and the Honorable CARTER MANASCO. They have served their districts capably, honestly, and courageously. The State of Alabama suffered a great loss when those two gentlemen were defeated, a greater loss than they realize at the present time. Our country also has suffered a great loss.

I want especially to thank them for the services which they have rendered me

in suggestions, advice, and kindness during this, my freshman, term in Congress.

Mr. Speaker, while I am on my feet I also want to express my appreciation of and to commend the great service which has been rendered by our good friend from Missouri, the Honorable C. JASPER BELL, who I understand will not be with us in the next Congress. Although these three distinguished gentlemen are leaving us, their influence will be felt in Congress for years to come.

PERMISSION TO ADDRESS THE HOUSE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

A WORD OF APPRECIATION

Mr. HALLECK. Mr. Speaker, we are coming to what I hope will shortly be the end of this second session of the Eightieth Congress, but before that adjournment resolution is adopted I just want to say to all of you that I am deeply grateful for the many courtesies that you have shown me in this job of mine and to thank you for your cooperation, your helpfulness, and your friendliness.

THE HONORABLE NOBLE J. JOHNSON

Mr. HALLECK. Mr. Speaker, I want to speak for just a moment on one of my colleagues who is leaving the Congress after this session. He is going to the Court of Customs and Patent Appeals. He was here in Congress for a while before he came back on this period of service. He came here the second time in 1938 after I had been here a couple of terms. Then for the first time I got to know him. Since that time he and I have developed a great friendship. I am referring to NOBLE JOHNSON, of the Sixth District of Indiana.

He has labored diligently on the Appropriations Committee, heading up that subcommittee that is near and dear to the heart of everyone of us, the Legislative Appropriations Subcommittee. He is the gentleman who looked after our wants, who has listened to our pleas, who has sought to provide for us the things that we need in the way of assistance in carrying on our efforts as Members of Congress. He has always been a friendly, kindly, conscientious Member of the House of Representatives. I am sure we are all going to miss him, but, missing him, we shall above everything else wish for him the greatest success and the greatest happiness in his new assignment. In that assignment I am sure he will bring to the service of his Government and our country and its people that same fine character, extreme diligence, and great ability that has marked his service here in the House of Representatives.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from New York.

Mr. TABER. NOBLE JOHNSON has been a member of the Committee on Appropriations since 1938. His work upon the Naval Appropriations Subcommittee has

been outstanding. More than all, his courage to meet every situation as it came up, his industry, and his loyalty have been outstanding. We are going to miss him here, but we believe that he will have a fine opportunity for great public service in the days to come in the station to which he has been elevated.

Mr. GRANT of Indiana. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to my colleague from Indiana.

Mr. GRANT of Indiana. Mr. Speaker, I consider it a privilege to join in the tributes that have been expressed here to our colleague, the gentleman from Indiana, NOBLE JOHNSON. It was my privilege to have served with our fellow Hoosier for some 10 years in this body. He is a great legislator, an outstanding lawyer, a distinguished American. In his elevation to this high Court of Customs and Patent Appeals the House of Representatives is losing one of its most able Members and the Federal judiciary is gaining a distinguished jurist.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from New York [Mr. O'TOOLE].

Mr. O'TOOLE. I join with the gentleman from Indiana in his tribute to his colleague.

May I say to the gentleman from Indiana on behalf of myself and on behalf of the Democrats that we have a great appreciation of you, CHARLIE. It is a very difficult thing for two men to stand eye to eye and for one to express appreciation, friendship, and feeling for the other; but in the 2 years you have been here as majority leader you have behaved yourself in a manly way, you have commanded the respect of the minority and we have a genuine affection for you. We have a conviction that Philadelphia will do great things for you and that will not be unpopular with us.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Vermont.

Mr. PLUMLEY. I want to say to you, CHARLIE, that if you contributed in any way to taking NOBLE JOHNSON off my Subcommittee on Appropriations and making him a judge, you did me no favor. Every member of the committee, as well as myself, has relied upon his judgment. It will be a great loss to the country to have a man who is so well posted, so well informed, with such keen judgment, taken out of the Congress and put in that court where he is going.

Mr. PLOESER. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Missouri.

Mr. PLOESER. I would like to add my word of friendship and tribute to NOBLE JOHNSON. It has been my pleasure since being on the Appropriations Committee to be associated with him, originally on two subcommittees and up until these final days on one.

He is most able and one of the friendships I value most in this Congress.

Before I conclude, may I say that the gentleman from Indiana [Mr. HALLECK] has just thanked this House for the way

it has treated him. I think at least the majority, if not the entire House, should thank you for the fine floor leadership you have given us.

HON. RICHARD F. HARLESS

Mr. MURDOCK. Mr. Speaker, if I read the clock right, it is almost day-break. I feel that despite the unusual hour many of my colleagues have risen in their places and praised those who have been with us, who have done effective work here with us, and have planned deliberately to leave us for other walks of life, that I should be unappreciative to fail to say something about the loss which the State of Arizona will suffer in the departure from this House of my colleague from Arizona.

My young colleague, RICHARD HARLESS, has decided that he will not be a candidate for reelection to Congress. For several years, when I was the sole Member from Arizona, I was very anxious to get the assistance of a young man who would aid me in representing that great State. My wishes were well fulfilled in the election of RICHARD HARLESS in 1942. He has been a very able man, young, energetic, competent.

I greatly regret that Dick has decided not to be a candidate for reelection, but I know whatever he may do he will serve his State and community in some other equally effective way.

Mr. BECKWORTH. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Texas.

Mr. BECKWORTH. I desire to join Representative MURDOCK in paying tribute to our colleague, RICHARD F. HARLESS, of Arizona. Dick was born some 8 miles from where I live in my home county of Uphur. His people were and are highly respected.

For 6 years I have worked side by side with Dick as a member of the Interstate and Foreign Commerce Committee. I have never known, in my 10 years in Congress, a truer and finer man; he is clean, honest, trustworthy, and wholesome; as a legislator, he is competent, constructive, energetic, and effective. Dick, as many know, is a person of great vision and sound judgment; he is a leader of men. His success and attainments in the past have been and are outstanding. I know he will be successful in his future undertakings. We all wish him the greatest of success and happiness in the future.

The SPEAKER. The time of the gentleman from Arizona has expired.

AGRICULTURAL PRICE STABILIZATION BILL

Mr. HOPE submitted the following conference report and statement on the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6248) to authorize the Secretary of Agriculture

to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Agricultural Act of 1948'."

"TITLE I—1949 PRICE STABILIZATION

"SECTION 1. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed through any instrumentality or agency within or under the direction of the Department of Agriculture, by loans, purchases, or other operations—

"(a) To support prices received by producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950, if producers have not disapproved marketing quotas for such commodity for the marketing year beginning in the calendar year in which the crop is harvested. The price support authorized by this subsection shall be made available as follows:

"(1) To cooperators at the rate of 90 per centum of the parity price for the commodity as of the beginning of the marketing year;

"(2) To noneoperators at the rate of 60 per centum of the rate specified in (1) above and only on so much of the commodity as would be subject to penalty if marketed.

"All provisions of law applicable with respect to loans under the Agricultural Adjustment Act of 1938, as amended, shall, insofar as they are consistent with the provisions of this subsection, be applicable with respect to loans or other price-support operations authorized under this subsection, except that for the purpose of computing the parity price for Maryland tobacco the base period shall be the period August 1936 to July 1941 in lieu of the period August 1919 to July 1929.

"(b) To support until January 1, 1950, a price to producers of commodities with respect to which the Secretary of Agriculture by public announcement pursuant to the provisions of the Act of July 1, 1941, as amended, requested an expansion of production of not less than 60 per centum of the parity or comparable price therefor nor more than the level at which such commodity was supported in 1948, except that Irish potatoes harvested before January 1, 1949, milk and its products, hogs, chickens, and eggs shall be supported at 90 per centum of the parity or comparable price. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this subsection if the production or consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for the commodities referred to in (a) hereof. In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

"(c) Sections 1 and 3 of the Act approved August 5, 1947 (Public Law 360, Eightieth Congress), are amended by striking out in each section the date of 'December 31, 1948' wherever it appears and inserting in lieu thereof the date 'June 30, 1950.'

"(d) It is hereby declared to be the policy of the Congress that the lending and purchase operations of the Department of Agriculture (other than those referred to in sub-

sections (a), (b), and (c) hereof) shall be carried out until January 1, 1950 so as to bring the price and income of the producers of other agricultural commodities not covered by subsections (a), (b), and (c) to a fair parity relationship with the commodities included under subsections (a), (b), and (c), to the extent that funds for such operations are available after taking into account the operations with respect to the commodities covered by subsections (a), (b), and (c). In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

"SEC. 2. From any funds available to the Department of Agriculture or any agency operating under its direction for price support operations or for the disposal of agricultural commodities, the Secretary of Agriculture is authorized and directed to use such sums as may be necessary to carry out the provisions of section 1 of this Act.

"SEC. 3. Section 22 of the Agricultural Adjustment Act, as added by section 31 of the Act of August 24, 1935 (49 Stat. 773), reenacted by section 1 of the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246), as amended, is hereby amended to read as follows:

"SEC. 22. (a) Whenever the President has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify.

"(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 per centum ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a), of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: *Provided*, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 per centum of the total quantity of such article or articles which was entered, or withdrawn from ware-

house, for consumption during a representative period as determined by the President: *And provided further*, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine.

"(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States.

"(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section.

"(e) Any decision of the President as to facts under this section shall be final.

"(f) No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party."

"SEC. 4. Section 8 (a), as amended, of the Soil Conservation and Domestic Allotment Act is amended (a) by striking out 'January 1, 1949' wherever appearing therein and inserting in lieu thereof 'January 1, 1951', and (b) by striking out 'December 31, 1948' and inserting in lieu thereof 'December 31, 1950'.

"SEC. 5. Notwithstanding any of the provisions of this Act, the Act of July 28, 1945 (59 Stat. 506), shall continue in effect.

"SEC. 6. This title shall take effect on January 1, 1949, except that sections 3 and 4 shall take effect on the date of enactment of this Act.

"TITLE II—AMENDMENTS TO THE AGRICULTURAL ADJUSTMENT ACT OF 1938

"Definitions of 'parity price', 'carry-over', 'normal supply', and 'total supply'

"SEC. 201. Section 301 of the Agricultural Adjustment Act of 1938 is amended—

"(a) By striking out paragraphs (1) and (2) of subsection (a) and inserting in lieu thereof the following:

"(1) (A) The 'parity price' for any agricultural commodity, as of any date, shall be determined by multiplying the adjusted base price of such commodity as of such date by the parity index as of such date.

"(B) The 'adjusted base price' of any agricultural commodity, as of any date, shall be (i) the average of the prices received by farmers for such commodity, at such times as the Secretary may select during each year of the ten-year period ending on the 31st of December last before such date, or during each marketing season beginning in such period if the Secretary determines use of a calendar year basis to be impracticable, divided by (ii) the ratio of the general level of prices received by farmers for agricultural commodities during such period to the general level of prices received by farmers for agricultural commodities during the period January 1910 to December 1914, inclusive.

"(C) The 'parity index', as of any date, shall be the ratio of (i) the general level of prices for articles and services that farmers buy, interest on farm indebtedness secured

by farm real estate, and taxes on farm real estate, for the calendar month ending last before such date to (ii) the general level of such prices, rates, and taxes during the period January 1910 to December 1914, inclusive.

"(D) The prices and indices provided for herein, and the data used in computing them, shall be determined by the Secretary, whose determination shall be final.

"(E) Notwithstanding the provisions of subparagraph (A), the transitional parity price for any agricultural commodity, computed as provided in this subparagraph, shall be used as the parity price for such commodity until such date after January 1, 1950, as such transitional parity price may be lower than the parity price, computed as provided in subparagraph (A), for such commodity. The transitional parity price for any agricultural commodity as of any date shall be—

"(1) its parity price determined in the manner used prior to the effective date of the Agricultural Act of 1948, less

"(ii) five percent of the parity price so determined multiplied by the number of full calendar years which, as of such date, have elapsed after January 1, 1949.

"(F) Notwithstanding the provisions of subparagraphs (A) and (E), if the parity price for any agricultural commodity, computed as provided in subparagraphs (A) and (E) appears to be seriously out of line with the parity prices of other agricultural commodities, the Secretary may, and upon the request of a substantial number of interested producers shall, hold public hearings to determine the proper relationship between the parity price of such commodity and the parity prices of other agricultural commodities. Within sixty days after commencing such hearing the Secretary shall complete such hearing, proclaim his findings as to whether the facts require a revision of the method of computing the parity price of such commodity, and put into effect any revision so found to be required.

"(2) 'Parity', as applied to income, shall be that gross income from agriculture which will provide the farm operator and his family with a standard of living equivalent to those afforded persons dependent upon other gainful occupation. 'Parity' as applied to income from any agricultural commodity for any year, shall be that gross income which bears the same relationship to parity income from agriculture for such year as the average gross income from such commodity for the preceding ten calendar years bears to the average gross income from agriculture for such ten calendar years."

"(b) By amending paragraph (3) (A) of subsection (b) to read as follows:

"(A) 'Carry-over', in the case of corn, rice, and peanuts for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, not including any quantity which was produced in the United States during the calendar year then current."

"(c) By amending paragraph (3) (B) of subsection (b) to read as follows:

"(B) 'Carry-over' of cotton for any marketing year shall be the quantity of cotton on hand within the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current, plus the quantity on hand within the United States at the beginning of such marketing year which was produced outside the United States."

"(d) By striking out paragraph (10) of subsection (b) and inserting in lieu thereof the following:

"(10) (A) 'Normal supply' in the case of corn, cotton, rice, wheat, and peanuts for any marketing year shall be (i) the estimated domestic consumption of the commodity for the marketing year ending immediately prior

to the marketing year for which normal supply is being determined, plus (ii) the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus (iii) an allowance for carry-over. The allowance for carry-over shall be the following percentage of the sum of the consumption and exports used in computing normal supply: 7 per centum in the case of corn; 30 per centum in the case of cotton; 10 per centum in the case of rice; 15 per centum in the case of wheat; and 15 per centum in the case of peanuts. In determining normal supply the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary.

"(B) 'Normal supply' in the case of tobacco shall be a normal year's domestic consumption and exports, plus 175 per centum of a normal year's domestic consumption and 65 per centum of a normal year's exports as an allowance for a normal carry-over."

"(e) By amending paragraph (16) of subsection (b) to read as follows:

"(A) 'Total supply' of cotton, wheat, corn, rice, and peanuts for any marketing year shall be the carry-over of the commodity for such marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year.

"(B) 'Total supply' of tobacco for any marketing year shall be the carry-over at the beginning of such marketing year plus the estimated production thereof in the United States during the calendar year in which such marketing year begins, except that the estimated production of type-46 tobacco during the marketing year with respect to which the determination is being made shall be used in lieu of the estimated production of such type during the calendar year in which such marketing year begins in determining the total supply of cigar filler and cigar binder tobacco."

"Price support

"SEC. 202. (a) Section 302 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"SEC. 302. (a) The Secretary, through the Commodity Credit Corporation (except as provided in subsection (c)) and other means available to him, is authorized to support prices of agricultural commodities to producers through loans, purchases, payments, and other operations. Except as otherwise provided in this section, the amounts, terms, and conditions of such price support operations, and the extent to which such operations are carried out, shall, in the case of operations carried out by Commodity Credit Corporation, be determined by the Corporation with the approval and subject to the direction of the Secretary, and, in the case of operations carried out by other means, be determined by the Secretary. In making such determinations, consideration shall be given to (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported, (3) the availability of funds, (4) the perishability of the commodity, (5) its importance to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price support operation, (7) the need for offsetting temporary losses of export markets, and (8) the ability and willingness of producers to keep supplies in line with demand. Compliance by the producer with acreage allotments, production goals, and marketing practices prescribed by the Secretary may be required as a condition of eligibility for price support. The Secretary shall in all cases give consideration to the practicability of supporting prices indirectly, as by the development of improved merchandising methods, rather than directly by purchase or loan.

"(b) (1) Price support shall be made available to producers of any basic agricultural commodity at levels determined as hereinafter provided in this subsection. On the basis of the latest available statistics of the Department of Agriculture as of the beginning of each marketing year for each such basic agricultural commodity, the Secretary shall, with respect to such marketing year and such basic agricultural commodity—

"(i) estimate the total supply;
 "(ii) determine the normal supply; and
 "(iii) determine the percentage which the estimated total supply is of the normal supply (such percentage being referred to herein as the "supply percentage").

"(2) The level at which the price of such basic agricultural commodity for such marketing year shall be supported for cooperators (other than cooperators outside the commercial corn-producing area, in the case of corn) shall not exceed 90 per centum of the parity price of such commodity as of the beginning of the marketing year or be less than the percentage of its parity price as of the beginning of such marketing year determined from the following table:

The level of support shall be not less than the following percentage of the parity price	
If the supply percentage is:	
Not more than 70.....	90
More than 70 but not more than 72.....	89
More than 72 but not more than 74.....	88
More than 74 but not more than 76.....	87
More than 76 but not more than 78.....	86
More than 78 but not more than 80.....	85
More than 80 but not more than 82.....	84
More than 82 but not more than 84.....	83
More than 84 but not more than 86.....	82
More than 86 but not more than 88.....	81
More than 88 but not more than 90.....	80
More than 90 but not more than 92.....	79
More than 92 but not more than 94.....	78
More than 94 but not more than 96.....	77
More than 96 but not more than 98.....	76
More than 98 but not more than 102.....	75
More than 102 but not more than 104.....	74
More than 104 but not more than 106.....	73
More than 106 but not more than 108.....	72
More than 108 but not more than 110.....	71
More than 110 but not more than 112.....	70
More than 112 but not more than 114.....	69
More than 114 but not more than 116.....	68
More than 116 but not more than 118.....	67
More than 118 but not more than 120.....	66
More than 120 but not more than 122.....	65
More than 122 but not more than 124.....	64
More than 124 but not more than 126.....	63
More than 126 but not more than 128.....	62
More than 128 but not more than 130.....	61
More than 130.....	60

"(3) Notwithstanding the foregoing provisions of this section—

"(A) the minimum level of price support to cooperators for any basic agricultural commodity shall be 120 per centum of the minimum level determined from the foregoing table, if acreage, allotments are in effect at the beginning of the planting season for such commodity, or if marketing quotas are in effect at the beginning of the marketing year for such commodity; but in no case shall the level of price support for any commodity be increased thereby above 90 per centum of its parity price as of the beginning of the marketing year; and

"(B) the level of price support for any basic agricultural commodity normally marketed in any marketing year with respect to which marketing quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity as of the beginning of such marketing year.

"(4) The level at which the price of corn shall be supported for cooperators outside the commercial corn-producing area shall be 75 per centum of the level at which the price is supported for cooperators in the commercial corn-producing area with respect to corn.

"(5) Notwithstanding the foregoing provisions of this section, the level of price support to cooperators for any crop of tobacco for which marketing quotas are in effect shall be 90 per centum of its parity price as of the beginning of the marketing year.

"(c) The support price for any nonbasic agricultural commodity shall not exceed 90 per centum of the parity price for the commodity as of the beginning of the marketing year or season in the case of a commodity marketed on a marketing year or seasonal basis, and as of January 1 in the case of any other commodity. Any price support operation undertaken with respect to either turkeys or chickens shall be applicable to all chickens, including broilers, appropriate adjustments being made as provided in subsection (e) of this section: *Provided*, That if any price support operation is undertaken with respect to either chickens or turkeys, the same parity price support operation shall be undertaken with respect to ducks and ducklings and other poultry. The price of wool shall be supported at such level, not in excess of 90 per centum nor less than 60 per centum of its parity price as of January 1, as the Secretary may consider necessary in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool. The price of any kind of Irish potatoes harvested after December 31, 1949, shall be supported at not less than 60 per centum nor more than 90 per centum of the parity price for Irish potatoes as of the beginning of its marketing season. The Commodity Credit Corporation shall not carry out any operation to support the price of any nonbasic agricultural commodity (other than Irish potatoes) which is so perishable in nature as not to be reasonably storable without excessive loss or excessive cost; but any such operation may be carried out by the Secretary through other means available to him such as those provided by section 32, Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended: *Provided*, That the foregoing provisions shall not be construed to prohibit the Commodity Credit Corporation from supporting the price of any perishable nonbasic agricultural commodity by a loan, purchase, payment, or other operation undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity: *Provided further*, That the Secretary, in carrying out programs with respect to perishable and nonperishable commodities under section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act, may uti-

lize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract) and make advance payments to it: *And provided further*, That in any fiscal year, if at the end of the preceding fiscal year the sums appropriated under said section 32 and remaining unexpended do not exceed \$300,000,000, Commodity Credit Corporation may, as provided in section 302 (a) of this Act, carry out any operation to support the price of any such perishable, nonbasic agricultural commodity to the extent that the reserve for the postwar price support of agriculture established pursuant to the First Supplemental Appropriation Rescission Act of 1946 (60 Stat. 8) and other funds appropriated for agricultural price support are sufficient to cover any losses which may be incurred in connection with such operation.

"(d) Notwithstanding the foregoing provisions of this section, price support operations at levels in excess of the maximum level of price support otherwise prescribed in this section may be undertaken whenever it is determined by the Secretary after reasonable public notice and public hearing with records of said hearing and a finding thereon by said Secretary available to the public that price support at such increased levels is necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security.

"(e) Appropriate adjustments may be made in the support price for any commodity for differences in grade, type, staple, quality, location, and other factors. Such adjustments shall be made in such manner that the average support price for such commodity in each marketing year will, on the basis of the anticipated incidence of such factors, be equal to the level determined as provided in this section for such marketing year.

"(f) For the purposes of this section—

"(1) A "cooperator" with respect to any basic agricultural commodity shall be a producer on whose farm the acreage planted to the commodity does not exceed the farm acreage allotment for the commodity under this title, or, in the case of price support for corn to a producer outside the commercial corn-producing area, a producer who complies with conditions of eligibility prescribed by the Secretary. For the purposes of this subsection a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded such allotment.

"(2) A "basic agriculture commodity" shall mean any of the commodities cotton, wheat, corn, tobacco, rice, and peanuts of a crop harvested after December 31, 1949.

"(3) A "nonbasic agricultural commodity" shall mean any agricultural commodity other than a basic agricultural commodity.

"(g) No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan made under authority of this section unless such loan was obtained through fraudulent representations by the producer. This provision shall not, however, be construed to prevent Commodity Credit Corporation or the Secretary from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program.

"(h) The Commodity Credit Corporation shall not sell any farm commodity owned or controlled by it at less than (1) a price determined on a pricing basis for its stocks of such commodity on hand, which makes due allowance for grade, type, quality, location, and other factors and which is reasonably calculated to reimburse it for costs incurred by it with respect to such stocks; (2) a price

halfway between the support price, if any, and the parity price of such commodity; or (3) a price equivalent to 90 per centum of the parity price of such commodity, whichever price is the lowest, except that the foregoing restrictions shall not apply to (A) sales for new or byproduct uses; (B) sales of peanuts for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or of non-basic perishable commodities where there is danger of loss or waste through spoilage; (E) sales for the purpose of establishing claims against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool; and (H) sales for other than primary uses.

"(b) Section 381 (c) of the Agricultural Adjustment Act of 1938 is repealed.

"MARKETING QUOTAS

Corn

SEC. 203. (a) The first sentence of section 322 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever in any calendar year the Secretary determines—

"(1) that the total supply of corn for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

"(2) that the total supply of corn for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for corn for three successive months of the marketing year so ending does not exceed 66 per centum of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect in the commercial corn producing area for the crop of corn grown in such area in the next succeeding calendar year and shall remain in effect until terminated in accordance with the provisions of this title."

"(b) Sections 322 (b) and 322 (c) of the Agricultural Adjustment Act of 1938 and the joint resolution entitled 'Joint resolution relating to section 322 of the Agricultural Adjustment Act of 1938, as amended', approved July 26, 1939 (53 Stat. 1125), are hereby repealed.

"(c) Section 322 (d) of the Agricultural Adjustment Act of 1938 is amended (1) by striking out "(c)" and inserting in lieu thereof "(a)", and (2) by striking out "September" and inserting in lieu thereof "March".

"Wheat

"SEC. 204. (a) Section 335 (a) of the Agricultural Adjustment Act of 1938 is amended by striking out the first two sentences thereof and inserting in lieu thereof the following:

"Whenever in any calendar year the Secretary determines—

"(1) that the total supply of wheat for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

"(2) that the total supply of wheat for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for wheat for three successive months of the marketing year so ending does not exceed 66 per centum of parity

the Secretary shall, not later than July 1 of such calendar year, proclaim such fact and, during the marketing year beginning July 1 of the next succeeding calendar year and continuing throughout such marketing year, a national marketing quota shall be in

effect with respect to the marketing of wheat."

"(b) The first sentence of section 336 of the Agricultural Adjustment Act of 1938 is amended by striking out 'June 10' and inserting in lieu thereof 'July 25'.

"Cotton

"SEC. 205. The first sentence of section 345 of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever during any calendar year the Secretary determines—

"(1) that the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 8 per centum; or

"(2) that the total supply of cotton for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for cotton for three successive months of such marketing year does not exceed 66 per centum of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect with respect to cotton during the marketing year beginning in the next succeeding calendar year."

"Rice

"SEC. 206. The first sentence of section 355 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever during any calendar year the Secretary determines—

"(1) that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

"(2) that the total supply of rice for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for rice for three successive months of such marketing year does not exceed 66 per centum of parity

the Secretary shall, not later than December 31 of such calendar year, proclaim such fact and, during the marketing year beginning in the next succeeding calendar year and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of rice by producers."

"SEC. 207. The Agricultural Adjustment Act of 1938 is amended—

"(a) By inserting in section 328 after the words 'outside the commercial corn-producing area' the following: 'or imported';

"(b) By inserting in section 333 after 'for such crop' the following: 'and imports';

"(c) By inserting in section 343 (a) after 'August 1 of such succeeding calendar year' the following: 'and imports';

"(d) By striking out sections 359 (d) and 359 (e);

"(e) By striking out of section 385 'or loan' and inserting in lieu thereof 'loan, or price support operation'."

"Tobacco

"SEC. 208. Section 312 (a) of the Agricultural Adjustment Act of 1938 is amended by inserting before the period at the end of the first sentence a colon and the following: 'Provided, That the Secretary shall proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year, and shall proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco, and, beginning on the first day of the marketing year next following and continuing throughout such year, a national marketing quota

shall be in effect for the tobacco marketed during such marketing year.'

"TITLE III—MISCELLANEOUS

"Section 32 funds

"SEC. 301. Section 32, as amended, of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935 (U. S. C., title 7, sec. 612c), is amended by adding at the end thereof the following: 'The sums appropriated under this section shall, notwithstanding the provisions of any other law, continue to remain available for the purposes of this section until expended; but any excess of the amount remaining unexpended at the end of any fiscal year over \$300,000,000 shall, in the same manner as though it had been appropriated for the service of such fiscal year, be subject to the provisions of section 3690 of the Revised Statutes (U. S. C., title 31, sec. 712), and section 5 of the act entitled 'An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June thirtieth, eighteen hundred and seventy-five, and for other purposes' (U. S. C., title 31, sec. 713).'

"Parity—other statutes

"SEC. 302. (a) Section 2 (1) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended to read as follows:

"(1) Through the exercise of the powers conferred upon the Secretary of Agriculture under this title, to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices as defined by section 301 (a) (1) of the Agricultural Adjustment Act of 1938."

"(b) Section 8c (18) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended to read as follows:

"(18) The Secretary of Agriculture, prior to prescribing any term in any marketing agreement or order, or amendment thereto, relating to milk or its products, if such term is to fix minimum prices to be paid to producers or associations of producers, or prior to modifying the price fixed in any such term, shall ascertain the parity prices of such commodities. The prices which it is declared to be the policy of Congress to establish in section 2 of this title shall, for the purposes of such agreement, order, or amendment, be adjusted to reflect the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk or its products in the marketing area to which the contemplated marketing agreement, order, or amendment relates. Whenever the Secretary finds, upon the basis of the evidence adduced at the hearing required by section 8b or 8c, as the case may be, that the parity prices of such commodities are not reasonable in view of the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk and its products in the marketing area to which the contemplated agreement, order, or amendment relates, he shall fix such prices as he finds will reflect such factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest. Thereafter, as the Secretary finds necessary on account of changed circumstances, he shall, after due notice and opportunity for hearing, make adjustments in such prices."

"(c) Section 8c (17) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended by striking out 'and section 8c'.

"(d) Section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is repealed.

"(e) Section 4 of the Agricultural Marketing Agreement Act of 1937, as amended, is amended by inserting after the section designation the subsection designation '(a)' and by adding at the end thereof a new subsection to read as follows:

"(b) Any program in effect under the Agricultural Adjustment Act, as reenacted and amended by this Act, on the effective date of section 302 of the Agricultural Act of 1948 shall continue in effect without the necessity for any amendatory action relative to such program, but any such program shall be continued in operation by the Secretary of Agriculture only to establish and maintain such orderly marketing conditions as will tend to effectuate the declared purpose set out in section 2 or 8c (18) of the Agricultural Adjustment Act, as reenacted and amended by this Act."

"(f) All references in other laws—

"(1) parity,

"(2) parity prices,

"(3) prices comparable to parity prices, or

"(4) prices to be determined in the same manner as provided by the Agricultural Adjustment Act of 1938 prior to its amendment by this Act for the determination of parity prices,

with respect to prices for agricultural commodities and products thereof, shall hereafter be deemed to refer to parity prices as determined in accordance with the provisions of section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended by this Act.

"Effective date

"Sec. 303. Titles II and III of this Act shall take effect on January 1, 1950."

And the Senate agree to the same.

That the Senate recede from its amendment to the title.

CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
ANTON J. JOHNSON,
GEO. W. GILLIE,

Managers on the Part of the House.

GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,
ELMER THOMAS,
ALLEN J. ELLENDER,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute amendment. The conferees have agreed to a substitute which incorporates the substance of the House bill and titles III and IV of the Senate amendment, with modifications. Except for clarifying, clerical, and minor changes the differences between the House amendment and substitute agreed to in conference are explained below.

The House bill is retained with virtually no change except clarifying and clerical amendments to make it conform to the substitute agreed upon by the conferees, and two minor amendments in substance, one changing the base period for the computation of parity on Maryland tobacco and the

other making it clear that the act of July 28, 1945 (59 Stat. 506) relative to dark tobacco remains unchanged. There was added a provision extending until December 31, 1950, authority to make soil conservation payments.

In the substitute amendment agreed to by the conferees that portion which was the House bill now provides for interim price supports on agricultural commodities to continue through the calendar year 1949. Titles III and IV of the Senate bill appear virtually without changes as titles II and III of the substitute amendment. In general, these titles provide for a modernization of parity and for a permanent price support program. The effective date of titles II and III of the substitute amendment is January 1, 1950.

Following is a detailed explanation of the provisions of titles II and III:

TITLE II—AMENDMENTS TO AGRICULTURAL ADJUSTMENT ACT OF 1938

Section 201 amends section 301 of the Agricultural Adjustment Act of 1938 in the following respects:

(1) The method of computing parity prices would be changed to the extent necessary to give appropriate recognition to changes in relationships among the prices of the agricultural commodities themselves occurring since the base period, 1910-1914, such as those resulting from the discovery of new uses or new methods of production. This section would provide a formula which, while preserving the 1910-14 relationship between farm and nonfarm prices, will reflect the developments of recent years. The general level would be based on the differences between the 1910-14 and the present prices of things that farmers buy, the parity prices of some commodities would be reduced while others would be increased. This section also provides for a transition from the present method of computing parity prices and for any corrective action which may become necessary in the future. The section would accomplish these objectives in the following manner:

At present the parity price of any agricultural commodity as of any date is computed by—

(i) Preparing a parity index showing the changes in prices of things that farmers buy since the base period 1910-1914; and

(ii) Multiplying the price of the commodity during the base period by the parity index.

The section would change this formula only by substituting an adjusted or moving base price for the 1910-14 price of the commodity. This adjusted base price for the commodity would be a price bearing the same relationship to—

(i) The price of such commodity during the preceding 10 years—

as the general level of prices received by farmers for agricultural commodities during the period 1910-14 bears to—

(ii) The general level of prices received by farmers for agricultural commodities during the same 10 years.

In order to prevent the parity price for any particular commodity from being reduced substantially in any year by reason of this change use of a transitional parity price would limit such reduction to 5 percent per year. The transitional parity price would be the parity price as now computed less 5 percent for each full year elapsed after January 1, 1949. The transitional parity price would be used for a commodity until the first time that the parity price is equal to or above the transitional parity price.

In addition, the Secretary may revise the method of computing any parity price which becomes seriously out of line with the parity prices of other agricultural commodities.

(2) "Parity" as applied to income is redefined for the purpose of establishing a more accurate standard. This change has no substantive effect.

(3) The term "carry over" as applied to cotton, corn, rice, and peanuts is redefined to include imports. Foreign-stored cotton is excluded. This term was not previously applied to peanuts.

(4) The term "normal supply" as applied to corn, cotton, rice, wheat, and peanuts is redefined to represent current requirements more accurately than has heretofore been the case. Instead of using 10-year averages of exports and domestic consumption in the computation of normal supply, estimated exports for the marketing year for which normal supply is being determined and estimated domestic consumption for the preceding marketing year would be used. The allowance for carry-over provided for in the existing definition of "normal supply" remains the same except in the case of cotton which would be 30 percent in lieu of 40 percent in existing law. The definition in existing law for "normal supply" is not applicable to peanuts but the new definition would be made so. The allowance for carry-over in the case of peanuts would be 15 percent. Provision is made for adjustments for current trends in consumption and for unusual conditions. The term "normal supply" as applied to tobacco would not be changed.

(5) The term "total supply" has been redefined to cover peanuts and in the case of cotton, wheat, corn, rice, and peanuts to include imports. The term as applied to tobacco has not been changed.

Section 202 would amend section 302 of the Agricultural Adjustment Act of 1938 (which contains the principal permanent price support provisions) to provide as follows:

(1) Price support of any agricultural commodity through loans, purchases, payments, or other operations would be authorized. This authorization provides the necessary flexibility in the choice of methods to be used in supporting prices. Thus it authorizes not only loans and purchases but also direct payments to farmers. The use of indirect methods such as the development of improved merchandising methods is encouraged. In determining the methods to be used, as well as the other terms and conditions of price support operations, the Secretary and the Commodity Credit Corporation are required to give consideration to (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported, (3) the availability of funds, (4) the perishability of the commodity, (5) its importance to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price-support operation, (7) the ability and willingness of producers to keep supplies in line with demand, and (8) the necessity of offsetting temporary losses of export markets. Compliance with acreage allotments and production goals may be required as a condition of price support.

(2) In the case of the basic commodities price support at from 60 to 90 percent of parity, the minimum level depending upon the relationship of the total supply of each commodity to its normal supply would be required to be made available to cooperators (those who do not exceed farm-acreage allotments); except that if marketing quotas have been disapproved by producers the level of price support would be reduced to 50 percent of parity. If marketing quotas are approved by producers the level of price support which would otherwise be given to the commodity would be increased by 20 percent, but shall not exceed 90 percent. Tobacco would be supported at 90 percent of parity.

(3) Price support for nonbasic commodities is discretionary with the Secretary up to a maximum level of 90 percent of parity. The price of wool, however, is required to be supported at such level between 60 and 90 percent of parity as the Secretary considers

necessary in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool. Potatoes are also supported at 60 to 90 percent of parity.

(4) In case the national interest requires, price support operations at levels in excess of 90 percent of parity are permitted with respect to either basic or nonbasic commodities.

(5) Subject to certain exceptions the Commodity Credit Corporation is prohibited from using its funds to carry out any operation to support the price of any nonbasic agricultural commodity which is so perishable in nature as not to be reasonably storable without excessive loss or excessive cost.

(6) Limitations are imposed upon the price at which Commodity Credit Corporation can sell farm commodities subject to a number of exceptions. These limitations and exceptions are generally comparable to those now in effect and are intended to prevent sales of farm commodities by Commodity Credit Corporation in a manner which would impair price support operations with respect to such commodities.

Marketing quotas

Sections 203, 204, 205, and 206 change the conditions which must be determined by the Secretary to exist before marketing quotas can be imposed upon corn, wheat, cotton, and rice. As reported, the sections would provide that whenever the Secretary determines—

(1) That the total supply of the commodity for the marketing year beginning in the then current calendar year will exceed the normal supply for such marketing year by more than 20 percent (8 percent in the case of cotton), or

(2) That the total supply of the commodity for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending and that the average price for the commodity for three successive months does not exceed 66 percent of parity—

the Secretary shall proclaim marketing quotas for the marketing year beginning in the next succeeding calendar year.

Acreage allotments—imports

Section 207 requires the Secretary to take imports into consideration in determining acreage allotments for corn, wheat, and rice for the purposes of marketing quotas.

Amendments

Section 208 would amend section 312 (a) of the Agricultural Adjustment Act of 1938 to require the Secretary, first, to proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year, and, second, to proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco. This would mean that, once the Secretary proclaims a marketing quota for any kind of tobacco, he is required to proclaim a marketing quota for that kind of tobacco for each succeeding year without regard to the supply conditions presently required by the statute.

TITLE III—MISCELLANEOUS

Section 32 funds

Section 301 provides for accumulation, up to \$300,000,000, of section 32 funds not currently required for program purposes. Section 32 of the act of August 24, 1935 (7 U. S. C. 612c), appropriates for each fiscal year an amount equal to 30 percent of the customs duties for the preceding calendar year, to be used by the Secretary of Agriculture to encourage exportation and to increase (by means of diversion programs) domestic consumption of agricultural commodities and

products and to reestablish farmers' purchasing power. To the extent that funds annually appropriated by section 32 are not fully utilized during any fiscal year, this provision would permit the balance of the funds not utilized to be carried over to subsequent fiscal years and used for the purpose for which such funds were appropriated. This provision would make it possible to formulate long-range surplus disposal programs.

Parity—Other statutes

Section 302 conforms the definitions of "parity" contained in other statutes to the definition of "parity" contained in section 301 of the Agricultural Adjustment Act of 1938, as amended by the bill.

CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
ANTON J. JOHNSON,
GEO. W. GILLIE,

Managers on the Part of the House.

Mr. HOPE. Mr. Speaker, I call up the conference report on the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The Clerk read the statement.

Mr. HOPE. Mr. Speaker, this is the conference report on the bill H. R. 6248. This bill, in part, passed the House on last Saturday in the form of a measure to extend the present price-support program for 1 year. In the Senate the measure was amended by striking out all after the enacting clause, and there was substituted the provisions of a Senate bill dealing with a long-range farm program. The conferees have agreed upon a measure which contains substantially all of the provisions in the House bill, to be applicable only for the year 1949; in other words, we are bringing back to you the same bill which we passed in the House to extend price supports for 1 year.

In addition, the bill as agreed upon by the conferees contains substantially all of titles 3 and 4 of the Senate long range bill, which provisions deal with a long range price support program. The Senate bill consisted of four titles originally. Two of those titles dealt with the reorganization of the Department of Agriculture, and particularly with a reorganization of the Soil Conservation Service, a reorganization which in effect would have eliminated the Soil Conservation Service and turned its functions over to the Extension Service, the land grant colleges, and the Production and Marketing Administration, under a new name, however.

Your conferees did not agree to those two titles in the bill. They have been eliminated and, as already stated, the bill now contains substantially all of the provisions of titles 3 and 4 relating to a price support program.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Do the provisions of titles 3 and 4 of the Aiken bill have any application in this coming year?

Mr. HOPE. No. I am glad the gentleman asked that question. As far as the provisions of titles III and IV are concerned, they will go into effect on January 1, 1950, at which time the provisions of that part of the bill which the House passed will go out of effect.

Mr. H. CARL ANDERSEN. One more question: If we agree to this tonight, will we have the opportunity, if the House so decides next spring, to change some of the provisions of titles III and IV as contained in this bill? I am referring especially to the lack of 90 percent parity guaranties.

Mr. HOPE. The bill will not go into effect until a year from next January 1. It offers approximately 18 months within which the bill may be studied and amendments made if they are necessary. I say that the Committee on Agriculture intends to study the bill carefully in that intervening time.

Mr. H. CARL ANDERSEN. There is no commitment on the part of this Congress now that we must continue in effect past next year these two titles to which we have reference? Personally, I do not care to agree to any program which would guarantee less than 90 percent of parity in our basic commodities.

Mr. HOPE. The bill if it becomes a law will be subject to amendment, of course, just as any law, and we will have the advantage of having this 18 months' period in which to study it before it actually goes into effect.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I think I can safely say as a conferee that the Senate conferees have agreed to a sympathetic consideration of any proposals we in the House may make with reference to changes in this bill.

Mr. HOPE. Yes; that is a correct statement. I may say that the bill is one which contains a great many intricate and technical provisions.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from North Carolina.

Mr. BONNER. May I inquire as to what the necessity is for passing at this time legislation that will not become effective until 1950? What is the reason? What is the cause of it?

Mr. HOPE. The bill, as I know the gentleman understands, passed the Senate in such a form that it became effective next January 1. It was the purpose of the Senate in passing it to put a long-range program in effect on next January 1 at the expiration of the present temporary program which is embodied in the Steagall amendment and other similar legislation. I will say to the gentleman it was the position of the House conferees when we first went to conference that there was no necessity for passing a

long-range program at this time. We thought that the conferees from the Senate should accept the provisions of the House bill, which would carry us forward for a year, and we thought that at the end of that time we would be in a better position to work out a long-range program. The Senate conferees took a different view and, as in the case of all conferences of this kind, in the end we worked out a compromise, and this is the result.

Mr. BONNER. That part of the proposal now offered to the House is superfluous and unnecessary. All that is needed is Senate approval of the continuation of the existing law that has been passed in the House. I think there must be some reason why this legislation is so urgently brought here at this late hour.

Mr. HOPE. There are many in this country, including the leaders of all of the great farm organizations, that is, the Farm Bureau, the Grange, the Farmers Union, and the Cooperative Council, who have urged that a long-range program be enacted at this time. All four of those organizations have endorsed that part of the Senate bill which we have adopted as a part of this conference report. There is greater unanimity on the part of the farm organizations of this country on this bill than on any important agricultural bill with which I have been familiar.

Mr. BONNER. Yes; but with all the time available in the first session of the next Congress, certainly the proper and intelligent thing to do would be to bring the bill into this House so the House could debate it and study it and know more about it.

Mr. HOPE. The gentleman is repeating some of the arguments I made in conference.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. The fact of the matter is that the House is now in the position of voting on a long-range program when the House Committee on Agriculture did not make any report on this bill or any other bill on the long-range program. Therefore, the Members of the House have not had the benefit of the views of the House committee with respect to this long-range program. That is true, is it not?

Mr. HOPE. That is true in a technical sense, at least. Of course, the Committee on Agriculture of the House has conducted extensive hearings, both in Washington and over the country, on the question of a long-range program.

Mr. WHITTINGTON. In all fairness, in addition to it being true in a technical sense, is it not a fact that the Committee on Agriculture of the House announced that they would not report a long-range program bill in this session.

Mr. HOPE. That is true.

Mr. WHITTINGTON. Therefore, we do not have the benefit of the study and the reports of the House committee in the consideration of this bill. That is true, is it not?

Mr. HOPE. That is true. May I say to my friend that the conferees refused

to agree under any circumstances to any long-range program which would become effective at once or as soon as January 1. But we felt under the circumstances that when we would have this time in which to study the measure and make amendments which might be necessary, we were justified in agreeing in the conference to this report.

Mr. WHITTINGTON. If the gentleman will permit me to say so, I think it is unwise and unsound to pass a bill that will not be put into effect for a year in order to have the privilege of studying it and amending it. With all due deference, I favor the provisions of the House bill. I think the Senate bill discriminates against the major agricultural commodities, including cotton, wheat, and corn.

Mr. HOPE. If the gentleman will present his views to the Committee on Agriculture in the next session of the Congress, I am sure the committee will give careful attention to those views.

Mr. FLANNAGAN. Mr. Speaker, will the gentleman yield me half the time, as I have other gentlemen on my side who would like to be heard?

The SPEAKER. The chairman of the committee generally has control of the time. If the gentleman from Virginia [Mr. FLANNAGAN] has Members on his side who desire to address the House, he can give the names of the gentlemen to the chairman of the committee.

Mr. FLANNAGAN. Mr. Speaker, will the gentleman yield me 10 minutes?

Mr. HOPE. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. FLANNAGAN].

Mr. FLANNAGAN. Mr. Speaker, I have served in this body for 18 years, but I have gone through my strangest and most unusual experience since yesterday at 2 o'clock. I do not believe any Member present ever went through a similar experience in legislative matters. Thursday night about 11 o'clock, the other body passed what is known as the Aiken farm bill. At 2 o'clock on yesterday we were called into conference, and the House conferees to a man turned down the Aiken bill. They turned it down for the reason that they did not know what was in it. I doubt that some of the conferees from the other body knew a bit more about what was in the bill than the conferees from the House, who had not had an opportunity to examine the legislation.

At 5 p. m. on Friday we were called into conference. The House conferees, because they did not know what was in the Aiken bill, turned it down. So the conference adjourned.

At 2 o'clock yesterday, Saturday, we were called back into conference, and the House conferees again stood pat and we adjourned. Then, at 4 o'clock yesterday, we were called back into conference for the third time and the roll was called, and the House committee still stood pat. We were not willing to place our O. K. upon a piece of legislation that no Member of the House conferees knew anything about, and we broke up in a rather heated discussion.

Then a strange thing happened. In order to bring this conference report back, they had to rape the House con-

ferees. When they came back Mr. MURRAY resigned as a conferee and Dr. GILLIE was appointed in his stead; and then we met again. The Democratic members still stood pat, but the Republican members went over to the Aiken bill. Now, that is the way you get this piece of legislation.

Now, why did these things happen? I do not want to inject politics into this discussion, but evidently the Philadelphia Republican Convention had to have a farm program, and in order to give that convention a farm bill, they had to rape the conferees in order to give the convention a program.

Now, I am telling you frankly, no member of the House conferees can tell you what is in the Aiken bill, and yet they bring the bill here and ask you to O. K. it. It is true that the Aiken bill does not go into effect for 18 months. They adopted the House bill, but provided that the House bill should expire December 30, 1949, and thereupon the Aiken bill becomes the farm program.

Mr. Speaker, I think the House bill is a well-considered bill. The House bill continues in effect the program we have developed over the last 15 years.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. WHITTINGTON. The fact of the matter is, the House committee has reported no long-range program; they have submitted no long-range bill; and the further fact is that we have a bill of 60 or 65 pages in length, and thus far, with four titles. The only explanation that this House has of the bill is that titles I and II have been stricken from the bill?

Mr. FLANNAGAN. That is right. As I said, the House bill will be the agricultural program during next year. It has proven to be successful. The only redeeming feature about this piece of legislation is this:

That part of the legislation known as the Aiken bill does not go into effect until 18 months from the present time, and during next year I hope—I know—and I confidently believe that the House Committee on Agriculture will work out a long-range farm program to take the place of the Aiken bill. When that is done I will not be here, but I make the prediction that the long-range program that the House committee will present to you next year will not be the Aiken bill.

Mr. BUSBEY. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. BUSBEY. Is it not a fact that this Congress cannot bind the next Congress? In other words, cannot the Eighty-first Congress pass legislation that will correct any inequality in the so-called Aiken bill?

Mr. FLANNAGAN. I am glad the gentleman called attention to that fact because I would hate to think that this Congress would bind the next Congress to anything like the Aiken bill. I believe the House Committee on Agriculture should hold hearings and bring in a farm program that they understand and that they can explain to this House before they ask the House approval.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. HOPE. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, while I realize that the Members of this House are tired and weary and are anxious to go home and get some rest, I do not feel that I should permit this conference report to be adopted without making at least a few comments and observations.

Every Member of this House has a share of responsibility and will be held to account for the actions here taken. I doubt if any man in this House—even the oldest man in point of service in this body—has ever witnessed such a spectacle as this. For long hours the conferees labored and they brought forth a monstrosity. It is neither bird nor beast nor fish nor fowl. It has the head of an elephant, but the heart of the Republican long-range farm program has been torn from the monster's body. In one part you will find provisions which authorize a continuation of the present price-support program—a program which has meant much to the welfare and prosperity of American agriculture. These provisions will continue a vital part of the Democratic farm program only until after the grand November election will be safely behind us and a matter of history. Then another program will go into effect and the agricultural economy of this Nation will be shaken to its foundation.

This is a spectacle of the rarest variety of political pressure. When the conferees were unable to agree on either the House bill or the Senate bill, and after the discussions clearly indicated that the Senate would not accept the House bill or surrender any part of the Senate bill, and after the representatives on the part of the House had indicated that they would not surrender the House bill or accept any part of the Senate bill, we adjourned, and I am sure that everyone considered the adjournment final. The House conferees did not have an opportunity to familiarize themselves with the many far-reaching and complicated provisions of the Senate bill. This House was in almost constant session from the very moment the Senate took final action on the much-talked-of Republican long-range farm program. While the bill was introduced by Senator AIKEN many long weeks ago, it was never called up for consideration in the House Committee on Agriculture.

Usually when the Senate passes a bill of importance it comes to the House and is referred to the House committee, but, obviously, this could not be done and when the representatives on the part of the House objected to having the measure rammed down our throats, whether we liked it or not, political pressure went up. As pointed out by my colleague the gentleman from Virginia [Mr. FLANNAGAN], when the House conferees, Republicans and Democrats alike, found the Senate bill to be obnoxious and highly objectionable in the form in which it was submitted, politicians were apparently horrified. But something took place during the long and dreary hours, either

here in Washington, or perhaps in Philadelphia, or maybe in both of these very important places. After secret meetings, and no doubt because of one Member's unwillingness to surrender his convictions or to compromise his conscientious views, he resigned and another was appointed in his place. Again the conferees conferred and as a result you are now faced with a unique situation. As intelligent Representatives of the people of this country, as weary and as fatigued as you are, you are urged to embrace this monstrosity which has a dual parentage and a dual purpose. There is not one of you who knows what it is or what is in it. You are not even told what is in it and you have no way of knowing about its provisions.

I love and admire the great and noble chairman of my great committee, the very able and alert and distinguished gentleman from Kansas, and certainly no finer man ever lived than the gentleman from Kansas, CLIFFORD HOPE. I regret that the temper of this House is such, and even that is perhaps easily understood, in view of the lateness of the hour, that when he was undertaking to tell you something about the provisions, yes, the important provisions of this conference report, and while he was talking, we heard cries go out over this House, "Vote! Vote! Vote!" Yes, vote, but vote for what. Certainly you do not even know what you are voting for, yet you must vote because Republican politicians must have something that they can at least call a long-range farm program.

I served in this Congress through the New Deal and many, many times Democrats were called rubber stamps. This is a super duper case of rubber stamp. Take it for TART so that he can talk about it. Do it for Dewey so that he can dangle it before the people. Write it into law for Warren, and mark it up for MARTIN. Stay here late for Stassen, and win a victory for VANDENBERG. Hoop it up for the Old Guard, so that you may have a hot time in the old town on Tuesday. Yes, you will have H. R. 6248 with provisions you have never seen and charts and tables you do not understand. Here in this great farm program is written this strange and uncertain language:

To assist low-income families and school children in maintaining an adequate diet, particularly in periods of underconsumption and unemployment.

Certainly when you think of the Republican Party you must be impressed with the significance of the last two important words in this great provision, "underconsumption" and "unemployment." Some parts of this bill read like a Republican platform and oh how they will read it and wave it at the convention. This is not only a package of promises to the people and a platform on which to run, but it is actually handed to you with a promise that it will be changed before it goes into effect. It embraces the producers of not only basic commodities and the Steagall commodities, but many other commodities have been added, including even the ducks and little ducklings. The Democratic administration was criticized on account of potatoes and putrified eggs, but

everything is here included within the four corners of this bill. It must be rubber stamped and approved. But at least there is one Republican here who was unwilling to embrace this monstrous thing. I congratulate and compliment the very distinguished, able, fearless, and courageous Representative, the gentleman from Wisconsin, Mr. REID F. MURRAY, who refused to yield to pressure or to be lashed by the party whip or to be black-jacked into surrendering his honest convictions on this thing the Republicans will call a farm program. Men have a right to change their minds, to alter their positions, and to modify their views. Upon mature consideration no doubt many Members of this House would have modified their views, but at least it is a rather strange thing that the views of so many could be modified so soon.

Certainly we know why this bill is here in its present form. It is here because Congress is about to adjourn and the Republicans are about to convene in convention to be assembled in Philadelphia only a few hours from now. You Republicans came into power on a promise that you would write a long-range farm program, and throughout all of the sessions of the Eightieth Congress you have talked of a long-range farm program for the American farmer, but you have done nothing about writing such a program and now you awaken to the fact that you have been sleeping on the job. Yes, asleep at the switch. Perhaps you were lulled to sleep by the fact that the farmers of America already had written on the statute books a long-range farm program with which they are well satisfied. All you need to do is to continue the price-support program, the soil-conservation payments, and the Commodity Credit Corporation, and you knew this when you came into power, and yet you have put the poor farmer off until the very last thing, and while in a state of utter confusion you insist upon having some sort of a paper writing to call a farm program. Do you not know that the American farmer is well informed and intelligent enough to know, to understand, and to appreciate fully the circumstances under which your political promise was so pitifully performed. Yes, you promised the American farmer you would write a farm program and he knows now that you have not done it.

We sat up with the corpse of the Republican farm program all through the night; Republican leaders were weeping and wailing; finally, about daybreak, the corpse came back to life again. A transfusion was administered and when some signs of life appeared there was great rejoicing. Although the breath of life was breathed again into the dead monster he will not be permitted to move from the place of his curious construction until he is 18 months of age. Yes, that is the ridiculous proposition that is now placed before you. You are asked to enact this thing into law, to write it into the law books and into the United States Code, and to read it and to study it for 12 or 18 months and if you find that it will work you can put it into

harness and hitch it to the plow, but if its head is too heavy or its legs are too short, or if its body is too weak, we will subject it to surgery or feed it some strange vitamin that will give it strength enough to support the floor under American agriculture.

Frankly, I have tried to understand the provisions of this bill, but, frankly, I must tell you that I even now do not fully understand it. I do not believe that there is a man on the floor of this House on either side of this aisle who can tell you the far-reaching ramifications of this bill. Shall we place our stamp of approval upon Federal legislation which we do not understand and cannot explain? Shall we have such little regard for the sanctity of Federal law as is now involved in the action this House is about to take? We are told that some of the farm organizations were in favor of the Senate bill, but that was carved to pieces in conference. Go ahead and rubber stamp it and then go back to your constituents and try to explain your conduct. That is what you will do. That is what you must do. The monster is now asleep but when he is awakened and aroused you shall hear from him.

Mr. HOPE. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Speaker, there were three measures which had to be considered and acted upon this week. One was to extend the life of the Commodity Credit Corporation which would expire on June 30. The Congress has taken appropriate action during the night granting a permanent charter to the Commodity Credit Corporation.

The second was extending the Soil Conservation and Domestic Allotment Act. That extension is contained in the pending conference report.

The third was extending the price-support program, which, under the present law at its level would expire on December 31. That is the matter now before the House.

This is a rather singular conference report. The House passed a bill, the Senate passed a bill, and the compromise is to enact both of them.

You are about to go home. I am sure those of you who represent agricultural sections will want to report the situation to your constituents. We now have a 90-percent support for this year. Under the conference report we will have a continuation of 90-percent support next year for the basic commodities and a few others and other commodities supported at from 60 to 90 percent of parity. Therefore, generally speaking, you will have 90 percent for 1948 and 1949.

On January 1, 1950, titles III and IV of the so-called Aiken bill will go into effect. That will give us two changes I have not been able to give my approval to. It will entirely change the parity formula. It sets up one of those fantastic schemes known as the 10-year moving average. It has two unfavorable features. One entirely abandons the parity principle of comparable purchasing power as to a particular commodity. The second is it reduces the parity prices

of practically all of the commodities, except cattle, hogs, milk, rice and tobacco. Within a short time it will bring about many inequities and discrimination among commodities. As between commodities it does not take into account the respective cost of production, the labor required, or the advancement in mechanization in planting, cultivating, and harvesting.

Then under this report you will reduce the support prices which are on a flexible basis ranging from 60 to 90 percent. The Senate author of the bill admitted that no commodity would ever have 90 percent support under the bill unless it was under a control program, except wool and tobacco. This is all I can say now. When the Aiken bill becomes effective a year and a half hence, the farmer will suffer a reduction in his parity price, and at the same time, a reduction in his support price. Therefore he will be hit twice. I think it is unfortunate and not in keeping with our obligation to him. Personally I cannot give my approval to a bill now which I know will take me months to completely analyze, and completely understand, and which is a step backward in providing the farmers with the security and protection they are entitled to. I think it would have been more sensible if we had waited until the next session to enact a long-range program and in the meantime have drafted a simple and understandable bill. But, it is here. It is a so-called long-range program effective a year and a half hence. The Republican leadership says it must pass now. As my distinguished chairman has said, it is hoped that he and the others of us on the committee who will return to Congress will endeavor to correct the serious mistakes we make tonight. It is with regret that I cannot give the conference report my support at this time.

[Mr. MURRAY of Wisconsin addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. HOPE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 147, noes 70.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

RECRUITMENT AND DISTRIBUTION OF FARM LABOR

Mr. HOPE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2767) to provide assistance in the recruitment and distribution of farm labor for the increased production, harvesting, and preparation for market of agricultural commodities to meet domestic needs and foreign commitment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, I should like to have an explanation of this bill.

Mr. HOPE. I shall be glad to explain the bill, Mr. Speaker. This is a bill which has been requested by the United States Employment Service and also by the farmers who are the users of agricultural labor, in order to make the recruitment and distribution of farm labor more effective during this season. This is a measure that is not only in the interest of agricultural producers but certainly in the interest of consumers, because with the current labor shortage, unless we can bring in some farm labor, it is my opinion we are likely to have a loss of food in this country during the current year.

The bill provides that the Secretary of Labor in carrying out his responsibilities to maintain a farm placement service is authorized to recruit foreign workers within the Western Hemisphere and Puerto Rico for temporary work, and to provide for their transportation to and from the United States and to and from different parts of the United States. There is authorized to be appropriated such sums as may be necessary for the administration of the program.

Then there is a further authorization of appropriations for the establishment of a working capital fund, this fund to be used for the payment of expenses for transportation, lodging, and subsistence of the workers. This fund is to be reimbursed by growers who use workers, so that the United States Government will not be out any money on account of the transportation and the lodging and the subsistence of these workers. In other words it is a revolving fund, and with the exception of administrative expenses all expenses will be paid by the growers who use these farm workers.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. This is merely a perpetuation of the same New Deal measure we have had for the last several years. I am surprised the gentleman would present this to our side of the House. I thought we got rid of this last year and were going to get rid of it forever. Now the gentleman brings it out here and asks us to accept it. I certainly hope my side of the House will have the courage of its convictions and get rid of this New Deal measure.

Mr. McCORMACK. May I say to the gentleman from Pennsylvania that this is not the only New Deal legislation that he has voted for and that his side has voted for. We have converted you right along the line.

Mr. CARROLL. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CARROLL. Does this bill in any way change the law that was passed with reference to sugar controls and workers and their salaries and so forth?

Mr. HOPE. No; this bill in no way changes or affects the Sugar Act of 1947.

Mr. CARROLL. That is with reference to the protection of agricultural workers in sugar and the workers' salaries and the controls?

Mr. HOPE. These workers are not only under the protection of that act, but they

with honor. The tradition of service to God and country must be preserved if this country is to live.

Let us hope and pray that this memorial service and others throughout the country will be dedicated to the continued unity of all Americans in the preservation of our Nation's security and freedom. We, as true Americans, realize that the "four freedoms" must be preserved through a living democracy.

I wish you continued success in your great endeavor.

Sincerely,

W. S. PAUL,
Lieutenant General, General Staff
Corps, Director of Personnel and
Administration.

HEADQUARTERS FIRST ARMY,
OFFICE OF THE COMMANDING GENERAL,
GOVERNOR'S ISLAND, NEW YORK, N. Y.,
May 18, 1948.

JULIUS KLEIN, Esq.,
National Commander, Jewish War Veterans of the United States, New York, N. Y.

DEAR MR. KLEIN: Thank you for your letter of May 7. I hope you will be kind enough to accept the enclosed message as a part of your memorial services.

Let me repeat my regret that prior engagements prevent my presence.

Sincerely yours,

COURTNEY H. HODGES,
General, United States Army.

To the Jewish War Veterans of the United States, Assembled in Memorial Services:

It is required of use that we gather in memory of our vallant dead.

It is right that we should meet in our several groups, friends brought together by ties of race, and of religion, of fealty to ancient and hallowed tradition.

Yet let us remember that they in whose memory we meet today died in the company of brothers from many races, and of many religions.

These men of America—children and fellow citizens of these United States, sallied forth together, all to fight, and some to die, for the idea which had brought them together in friendliness and peace, in dignity and pride, in the very spirit and practice of human brotherhood.

As we mourn our dead, let us again resolve that the values they prized above life itself will continue to flourish, will wax and grow strong, until in God's good time, they are beyond challenge, anywhere on earth.

The blood of our sons is a charge upon us forever, to be met only as we maintain what they died to preserve.

May our conduct over the years to come permit them to rest in peace.

COURTNEY H. HODGES,
General, United States Army.

HEADQUARTERS FIFTH ARMY,
Chicago, Ill., April 26, 1948.

To the Jewish War Veterans of the United States of America:

Traditionally, on this day, May 30, the people of our country gather to renew the memory of those who have died in the defense of the Nation. The observance of this tradition in 1948 finds the world in turmoil and our country beset by many dangers.

The principles upon which this country was founded are under attack in many places. Powerful forces are at work to destroy our democracy. The freedom which we Americans enjoy was not achieved without sacrifice, nor can it be maintained without the vigilant support of all of our citizens.

Because we are free to differ in our political beliefs, because we are free to worship as we please, let us today resolve to unite

with all citizens in an unselfish effort in removing from this world the threat of war. May our devotion to our country serve as an inspiration to our people in their search for the means by which the freedom we enjoy may be extended to the nations of the earth, and thus justify the sacrifices which our fallen heroes have made for us.

As commanding general of the Fifth Army, I am glad to have an opportunity to extend to the Jewish War Veterans of the United States, my warmest greetings.

WALTON H. WALKER,
Lieutenant General,
United States Army, Commanding.

HEADQUARTERS, SIXTH ARMY,
Presidio of San Francisco,
Calif., May 6, 1948.

Brig. Gen. JULIUS KLEIN,
National Commander, Jewish War Veterans of the United States of America, New York, N. Y.

DEAR GENERAL KLEIN: In the campaign in Italy as commander of the Fifth Army and the 15th Army Group, I was privileged to command, from the six continents of the world, troops who were composed of many races, nationalities, and religions. The pages of history record the gallant deeds of the Palestinian brigade which served so ably in the campaign, and those of Jews in the forces of the many nations that fought under my command.

I am in complete accord with the basic objectives of the Jewish War Veterans of America as set forth in the preamble to their constitution. I, with countless other Americans, am proud of their splendid contributions to the strength, peace, and stability of our United States and the preservation of our American way of life.

I wish for their every success in their patriotic endeavors for our great Nation.

Sincerely yours,

MARK W. CLARK,
General,
United States Army, Commanding.

HEADQUARTERS EIGHTH ARMY,
UNITED STATES ARMY,
OFFICE OF THE COMMANDING GENERAL,
Yokohama, Japan, May 3, 1948.
Brig. General JULIUS KLEIN,
National Commander,
Jewish War Veterans of the
United States of America,
New York, N. Y.

DEAR JULIUS: In the attached message I have tried to express my sincere feelings of respect for the Jewish War Veterans. It would please me if you feel it suitable to read this message at your 53d annual Memorial Service on May 30. I know that the service will be a successful one in which you will have the good wishes of all American veterans.

With warm regards,
Sincerely,

ROBT. EICHELBERGER,

To the Jewish War Veterans of the United States of America:

On the occasion of the 53d annual Memorial Service of the Jewish War Veterans of the United States of America, I wish to extend to all participants, sincere greetings. It is fitting that such a service be held every year in order that in the United States, one of the few remaining free countries of the world, the people may be cognizant of the sacrifices whereby that freedom has been dearly bought. We must be firm in our resolve always to be ready to defend it by whatever means necessary.

R. L. EICHELBERGER,
Lieutenant General,
United States Army,
Commanding.

FEDERAL BUREAU OF INVESTIGATION,
DEPARTMENT OF JUSTICE,
Washington, D. C.

I consider it a signal privilege to join in the tribute to those Americans of Jewish faith who have fallen in combat during the wars of our Nation since the War of Independence. On this most solemn occasion a most fitting tribute in memory of those dear to us would be the rededication of our future to the type of zealous patriotism to our Nation exhibited and exemplified by our Jewish War Veterans. We join today in the hope that the future will bring the continued development of a nation truly consecrated to democracy and divorced from hatred and intolerance.

With kind regards,
Sincerely yours,

J. EDGAR HOOVER.

THE AMERICAN LEGION,
NATIONAL HEADQUARTERS,
May 20, 1948.

MY FELLOW AMERICANS: It is with deep regret that I find myself unable to be your guest at the 53rd Annual Memorial Services of the Jewish War Veterans of the United States of America. I do wish to join with you in paying tribute to those of your faith who have served our country in its hour of need and who are now gone to their eternal reward.

Love of America can only be measured by one standard. That is willingness to defend it against all enemies to the last full measure of devotion. The strength of America lies in its ability to inspire such devotion in all its sons and daughters, irrespective of race, color, creed or political belief. We honor the Unknown Soldier resting in Arlington, not because he was a Jew, or Protestant, or Catholic, or white or colored, or a Republican or Democrat, but because he was an American patriot to the death.

You are paying tribute today to brave men who sacrificed to keep America free. Their lives and their services went into building a greater nation, dedicated to the ideals of freedom, justice, and tolerance. It is fitting we should honor them.

But the greatest honor we can pay these revered dead is to make sure through our own unceasing efforts that their great sacrifice shall outlast the victory which they have purchased for us so dearly.

In that endeavor the American Legion will always work in closest partnership with the Jewish War Veterans—for God and country!

JAMES F. O'NEIL,
National Commander.

COMMANDER JULIUS KLEIN,
Jewish War Veterans of United States,
New York, N. Y.

My dear NATIONAL COMMANDER: The membership of your organization is a living testimony to the fundamental truth that we American Jews are bone of the bone and flesh of the flesh of America, ready not only to fight and, if need be, to die for America, but also with utter and single loyalty to dedicate our lives in peace to the welfare of our country.

With kindest regards, I am,
Yours faithfully,

JOSEPH M. PROSKAUER.

OFFICE OF THE GOVERNOR,
Springfield, May 25, 1948.
GENERAL JULIUS KLEIN,
National Commander, Jewish War Veterans of the United States of America,
New York, N. Y.

Dear General Klein: I keenly appreciate this opportunity of extending, through you, my most cordial greetings to all who are participating in the Fifty-third Annual Me-

morial Service of the Jewish War Veterans of the United States.

This Service is a well-deserved tribute to the memory of valiant men. It is appropriate and timely. In these stern days it is well for us to be reminded afresh that our national liberty was won by the shedding of blood, and has been preserved in every generation by renewed sacrifice.

From the courage of those you honor, let us take heart to face our own duties bravely. From their consecration, let us gain a freshened sense of the dignity of American citizenship. As they stood shoulder to shoulder against the foe, let us close our community and national ranks against every force that seeks to divide us.

The loyal valor of Americans of Jewish faith, and of others such as they, in every time of national peril constitutes heartening assurance that our Republic will ever be the home of freedom and the hope of freedom-loving men the earth around!

Sincerely,

DWIGHT H. GREEN,
Governor.

Churchill Sees Labor Rule Biting United States Hand Feeding It

EXTENSION OF REMARKS

OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of
Thursday, June 17), 1948

Mr. DORN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following articles from the New York Times of June 13, 1948:

CHURCHILL SEES LABOR RULE BITING U. S. HAND
FEEDING IT

(By Charles E. Egan)

LONDON, June 12.—Winston Churchill denounced the Labor government today for virtually biting the hand that feeds it by deriding the United States of private enterprise while at the same time being dependent upon that system for aid.

The wartime Prime Minister, addressing a political rally of 7,000 Young Conservative Party members in the Royal Albert Hall, said:

"How the ministers can deride the system of free enterprise and capitalism which makes America great and wealthy and then at the same time eagerly seek the aid which has hitherto been so generously granted from across the Atlantic—that is a grimace which baffles the limitations of our language to explain."

The loan advanced by the United States at the close of the war, he charged, had been dissipated and the Labor government was now dependent upon the American private enterprise system, which it abhors, to aid Britain.

Mr. Churchill said that the Government's nationalization program was a demonstration of failure. State ownership of basic industries, he said, had brought higher prices and increased costs.

Despite the record in coal and other industries, he said, the Government was determined to proceed to the nationalization of steel, the most efficient breadwinning and export-conquering industry in Britain.

Describing socialism as the "philosophy of failure and the gospel of envy," Mr. Churchill called for the ousting of the Labor government and the return of his party to power. He predicted that the Labor Party would be defeated at the next general election.

SEES EXODUS FROM COUNTRY

LONDON, June 12.—"We are not earning our own living or paying our way, nor does the Government hold out the prospect of our doing so in the immediate future," Mr. Churchill said today in his Albert Hall speech.

"Unless we free our country, while time remains, from the perverse doctrine of socialism, there can be no hope of recovery. This island can not maintain its position as a great power under a socialist or collectivist system."

Mr. Churchill predicted that the most energetic and nimble Britons would leave the country, if the Labor government stayed in power.

"We should be left here with a horde of safe officials brooding over a vast mess of worried, hungry and broken human beings," he said. "Our place in the world will be lost forever, and not only our individual self-respect, but our national independence, will be gone."

"A little while ago we were told: 'See how few are unemployed.' But now Morrison (Herbert Morrison, Deputy Prime Minister) and Bevin (Foreign Secretary) alike are forced to admit that but for the American loan and doles there would be unemployment on a scale of millions."

My Record in Congress

EXTENSION OF REMARKS

OF

HON. JAMES DOMENGEAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of
Thursday, June 17), 1948

Mr. DOMENGEAUX. Mr. Speaker, I believe it is proper that Members of Congress render to their constituents from time to time a report of their congressional activities. This is necessary in order that the people can properly judge our work. I take this occasion to submit a summarized record of many of the services I have rendered to the people of my district. This information will show that I have been diligent, competent, energetic, and faithful in my duties to my Nation, State, and district. I have the honor and distinction of representing a congressional district that is considered one of the richest in natural resources in the entire country. It is an area that also abounds in charm, hospitality, and culture of its people. I have represented this great section for some eight years, excepting the period of time that I served in the United States Army as a private, after having resigned my membership in the Congress. I am everlastingly grateful for the opportunity that the people have afforded me to serve my country in Congress during these serious and perilous times. I am glad to present this record of my stewardship.

AGRICULTURE

The people of the Third Congressional District are to a large extent dependent upon agriculture for a livelihood. Our rich lands, fertilized by the accumulation of the soils of the Mississippi Valley, are most adaptable to the production of sugarcane, rice, cotton, sweetpotatoes, truck crops, and numerous other agricultural products. Realizing the importance of agriculture, I am constantly devoting attention to the best development

of our farm resources, as well as the expansion and development of our livestock and dairy industries. I believe that my record in behalf of agriculture is well known and that I have the good will and confidence of the farmers of my district.

SUGAR

Those connected with the sugar industry, which means so much to the economic welfare of Louisiana, are familiar with my work in its behalf. They know of my leadership in the adoption of necessary legislation, particularly the recent sugar act passed by Congress. This act brought more stability and security to the sugar industry than at any time in its history and will be in effect until December 31, 1952. It allows Louisiana and Florida a production quota of 500,000 tons of sugar annually, providing the largest percentage quota increase of any of the domestic areas and permits Louisiana to grow practically all the sugarcane it is now capable of producing, at the same time continuing the benefit payments. It was through my efforts that the fair wage and fair price determination provisions of the former sugar act were retained, in keeping with the wishes of the industry.

AID FOR SMALL FARMERS

I have been especially sympathetic to the cause of the small sugar farmers. Through my efforts it was possible to have all sugarcane growers share for the first time in payments on blackstrap molasses and as a result they are enjoying an additional revenue of around 60 cents per ton for sugarcane, which they never received before.

During the labor shortage World War II occasioned I was instrumental in obtaining the service of thousands of prisoners of war for farm work in Louisiana. Without this labor it would have been impossible to harvest our cane crop. During the war I gave much attention to the shortage of farm equipment confronting the farmer and was able to secure for them necessary machinery, trucks, tires, and other items they required for the cultivation and harvesting of the cane crop.

More recently I assisted in obtaining fertilizer for the 1948 cane crop. A serious shortage developed, but through contacts with the Department of Agriculture officials and manufacturers, we were able to relieve the situation.

The sugar industry throughout the years has been unsettled because of its position in international trade; it has frequently been used as a political football. Sugar legislation is the most complicated of all agricultural legislation in Washington. It is only through constant study and experience that one becomes competent in the handling of the various complex problems. I am glad of the knowledge that I have gained in this connection which enables me to be of the greatest possible service.

RICE

Louisiana produces over one-third of the rice that is grown in the United States. Vermilion Parish, in my district, is the largest rice-producing parish, or county, in the country, and rice is also produced in every other parish in the Third Congressional District. The rice

farmers and the industry in general have enjoyed prosperity during the last few years. Many of our citizens are engaged in the farming, milling, and marketing of rice. They are aware that I have been active and successful in looking after their interests.

The rice industry has been confronted with many problems during and since World War II and I have given much attention to these matters. My efforts have been directed toward seeing that adequate markets are made available and fair prices maintained. I fought the establishment of price ceiling on rough rice in 1943, but when it was established, I worked for an increased ceiling which was granted. I have fought the efforts of the Government to assist the production of rice in other countries in competition to our own industry. I oppose the unreasonable Government set-aside policy of allocating American rice to other nations on a basis which greatly limited our domestic supply. This was a blow to the movement to increase the per capita consumption of rice in this country. I have repeatedly pointed out that the per capita consumption must be raised and new uses found for rice if we are to avoid surplus rice production in normal periods.

Last year when the rough rice market was paralyzed, due to harvesting difficulties and lack of adequate storage space, and the situation was steadily growing worse, I flew to Washington from Louisiana, as Congress was then in recess. After conferences with officials of the Department of Agriculture, a program was worked out by which the Government agreed to purchase a large quantity of rice for foreign relief. This action accelerated the market for rough rice, the mills began to buy and the Louisiana rice growers were saved from a ruinous loss. Only recently, together with other members of Congress from rice areas, I handled the movement to prevent the Government from arbitrarily reducing the price to be paid for export rice to foreign countries. If this had occurred it would have resulted in a break in the rice market, and our farmers, as well as millers, would have suffered a great loss this season.

SWEETPOTATOES AND SIRUP SURPLUS

The sweetpotato industry in south Louisiana has made great strides. The sirup industry has been in existence since sugarcane was first produced in this country. The war brought about a dislocation in these two industries, placing them in danger of having to curtail operation or stop them altogether. I assisted, with other interested Congressmen, in helping to remove the surplus on sweetpotatoes. We are now assisting the sirup producers to sell the large surplus they have on hand, to the Economic Cooperation Administration. I am confident we will be successful.

FARM LEGISLATION

I have advocated and worked for:

1. Support price for cotton.
2. Parity income for farmers.
3. Scientific research to discover new uses for farm products.
4. Low interest rate on farm loans.

5. Better farm tenant program.

6. More stability for family-sized farms.

7. Soil conservation program.

And all other legislation beneficial to the interest of the farmer.

COMMENDED BY SECRETARY OF AGRICULTURE

Sometime ago a constituent of mine wrote the Secretary of Agriculture about my activities in Congress on agricultural matters and I am very glad to produce the Secretary's letter in reply:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, April 1, 1948.

Mr. RAY BREAU,
Lafayette Parish Farm Bureau,
Carencro, La.

My DEAR Mr. BREAU: I received your inquiry in behalf of farmers of your section, relative to the activities of Congressman JAMES DOMENGEAUX in agricultural matters.

I have had occasion to observe Congressman Domengeaux's work on many occasions and I can say with the utmost sincerity that he is most energetic, progressive, and effective in representing the farming interests of the Nation and particularly those of the Third Congressional District of Louisiana.

Congressman DOMENGEAUX was very active and forceful in adoption of the present Sugar Act. He is especially helpful to the small farmers. Through his efforts these farmers were able for the first time to share in payments on blackstrap molasses and now enjoy an additional revenue of around 60 cents a ton of sugarcane.

We have felt that in rice matters Congressman DOMENGEAUX has constantly protected the best interests of the farmers, millers, and distributors. When the rice industry faced a crisis last year, due to a paralyzed market for rough rice in the face of an approaching new crop, Congressman DOMENGEAUX, then in Louisiana during the recess of Congress, flew to Washington and conferred with Department of Agriculture officials. Out of these conferences grew a program by which the Department was able to arrange for the purchase of rice for relief purposes abroad.

The sweetpotato people also have a real friend in Congressman DOMENGEAUX, who has likewise faithfully looked after the interests of the cotton industry, the truck farmers, and others engaged in agricultural endeavors.

Congressman DOMENGEAUX has frequently conferred with me and it has been a pleasure to cooperate with him.

With kindest regards, I am
Sincerely yours,

CLINTON P. ANDERSON,
Secretary of Agriculture.

SEAFOOD INDUSTRIES

Louisiana is widely famed for its delicious seafoods. Much of the commercial fishing centers in my congressional district which borders on the Gulf of Mexico, and its numerous bays, lakes, and bayous. Thousands of our people make a livelihood from the production and marketing of shrimp, oysters, and other seafood. This brings to them and to our State many millions of dollars annually.

Throughout my service in Congress I have constantly devoted time to looking after the welfare and development of the steadily growing seafood industry. I have done this because I realize the Gulf of Mexico offers to our people an inexhaustible means of wealth. No one knows how great the possibilities are. I am confident, however, that the income

of our citizens can be increased many millions of dollars a year through scientific and intelligent approach to the various problems confronting the fishing industry. We must determine with accuracy just what these resources are and how best to utilize them. I have recently proposed legislation that I have every reason to believe can be passed at the next session of Congress, which will provide an appropriation of \$500,000 for the purpose of providing the necessary research work in behalf of the fishing industry of the Gulf coast. Due to wartime activities and shortage of personnel it has been difficult to collect fishery statistics in that area.

The oyster industry can be greatly expanded. At the present time we do not use more than 10 percent of potential tidal bottoms which could be utilized for oyster production. The Louisiana oyster industry has expanded in the past few years, but mass mortality of oysters has seriously threatened the continued existence of that industry.

GREAT POSSIBILITIES

Louisiana could produce more crab meat than any other State, yet it falls much below Maryland and Virginia in this respect. We could increase our crab production tremendously. No study of a biological nature has been made of the menhaden; still there was a greater poundage of menhaden produced in the United States in 1946 and 1947 than any other species of fish. Only a small percentage of this came from the Gulf, although it is well known that menhaden are abundant in these waters.

This may be a critical period in the shrimp fishery. The shrimp catch has remained about the same, notwithstanding the fact there have been many new boats added for shrimp fishing. We have not learned sufficient about the biology of the shrimp and it is estimated that an annual production valued at \$100,000,000 is in prospect if properly developed.

Very little is known of the life history of such valuable sport and commercial fishes as speckled trout, redfish, croakers, sheephead, mullet, and tarpon. The passage of this bill that I have introduced, together with an appropriation, will make it possible to increase our seafood production many millions of dollars. I pledge myself to work untiringly to secure the passage of this legislation.

MEXICO SHRIMP IMPORTATIONS

Louisiana shrimp interests are being menaced by the increasing importation of Mexican shrimp. Mexico enjoys an advantage because of cheap labor. To protect the many producers and packers in Louisiana and other Gulf States, I have introduced legislation providing that the total importation from Mexico of fresh, iced, canned, and processed shrimp into the United States in any one calendar year shall not exceed the largest total quantity of such importations during any calendar year between January 1, 1942 and December 31, 1945. Imports restricted to this period would be relatively small.

OYSTER REHABILITATION

The Louisiana oyster industry sustained heavy losses in the Mississippi River flood of 1945. I succeeded in having a bill enacted for an appropriation of \$50,000 for a survey to be made by the Fish and Wildlife Service to determine the extent of this damage and method of rehabilitating the beds. After this survey is completed I will endeavor to secure additional funds so as to reimburse those oyster producers who suffered this loss. I am particularly gratified by the passage of this legislation because it establishes a precedent that the Government must be responsible for damages that may be sustained through the use of flood control projects, such as the Atchafalaya-Morganza Spillway.

The seafood industry in Louisiana has enjoyed much prosperity during the last few years. I am glad that I have been able to contribute in many ways to the welfare and development of this great industry and I pledge my continued efforts in this direction.

WATERWAY AND FLOOD CONTROL

Flood control and improvement of our waterways are most important to the safety and success of our people. Louisiana, particularly the Third Congressional District, until recent years has suffered from disastrous inundation and flood control is a subject close to all of us. The Mississippi River and its tributaries drain approximately one-third of the United States and much of these waters eventually descend on Louisiana. Much progress in protecting our area against floods has been made, but much remains to be done.

ATCHAFALAYA BASIN—MORGANZA SPILLWAY

Of foremost importance to flood control in our area is the need for completing work on the Atchafalaya spillway. Congress recently appropriated some six million dollars toward completing the project. In May of 1945, when flood conditions developed in the Red River Basin, the United States engineers decided to open the Morganza floodway, which would have released the waters of the Mississippi into the Atchafalaya Basin. In the latter's uncompleted stage this would have meant the flooding of vast areas in the parishes of Assumption, Terrebonne, Lafourche, St. Mary, St. Martin, and Iberia, or practically all of the Third Congressional District, resulting in untold loss and indescribable suffering by our people. There was great political pressure to open the spillway at that time from Members of Congress representing other sections of the State. I opposed this movement with every force at my command. Happily my protests and warnings were headed and great damage and possible loss of life were averted.

PROJECTS AIDED

I have constantly devoted my efforts in behalf of flood control, improvement of waterways and establishment of new facilities. In this connection I might refer to the Bayou Carlin-Delcambre Canal; Bayou Lafourche; Bayou Boeuf; Bayous Little Caillou, Grand Caillou, Dularge, and Terrebonne; Bayou L'Eau Bleu; Teche-Vermilion program which recently received an additional appropriation of

\$600,000; Schooner Bayou, and other necessary projects.

I opposed, together with the people of the Morgan City-Berwick area, the inadequate flood gate proposed by the United States Engineers in Bayou Boeuf. I will continue my efforts to have an adequate lock constructed instead.

Our people are seriously dependent upon our networks of bayous and other streams not only for adequate drainage but in their everyday pursuits. It is my plan and purpose to eventually secure an authorization and appropriation for the dredging of our many streams that flow into the Gulf, so as to afford our people the opportunity for full utilization of these waterways.

For quite sometime I have been working with the people of the parishes of Assumption and Terrebonne to assist them in securing fresh waters in Bayou Lafourche at Napoleonville. The United States Engineers are now studying this proposal and as soon as it is recommended I will continue my efforts toward securing the necessary funds to complete this project.

WATER HYACINTH AND ALLIGATOR GRASS
ERADICATION

The problem of the water hyacinths and alligator grass which congest so many streams in Louisiana and other States is a matter of much concern. These water plants interfere with our drainage, obstruct navigation, menace health, and are killing our fish and wild life. They cause many millions of dollars of damage to the State. I have realized this problem and in February of 1945, I secured an appropriation of \$78,000 to make it possible for the United States Engineers, the Department of Agriculture, the United States Public Health Service and the Department of Fish and Wildlife of the Interior Department to conduct a comprehensive study and survey of the problem in order to find means of eradicating this menace once and for all. This scientific study and survey are now being made. Experimentation in the use of chemicals is under way and I hope that within a short time an economical and practical method may be found, through these agencies, to do the job of extermination. I have a bill pending to appropriate \$25,000,000 over a period of years for this purpose. The reports from the Departments will be in shortly and in the next Congress it is my plan to secure at least \$5,000,000 to start the program of killing the water lily and alligator grass in all of our streams.

VETERANS

I am particularly happy to be of assistance to veterans and their dependents. I feel that the veterans who made great sacrifices, are entitled to every consideration that the Federal Government is able to give them. I have always given close attention to their needs and have been able to help thousands of ex-servicemen who have written to me about their problems.

I had the privilege of serving as a member of the House Committee on Veterans Affairs, which afforded me the opportunity of taking part in the preparation and enactment of much veteran

legislation, including the GI bill of rights.

The best evidence of my service and achievements in behalf of the veterans and their dependents is contained in the following letters from national representatives of major veterans' organizations:

THE AMERICAN LEGION

NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., May 19, 1948.

Mr. J. ELLIOTT CADE,
Past Vice Commander, The American
Legion, Department of Louisiana,
Abbeville, La.

DEAR Mr. CADE: This is to acknowledge receipt of your letter of May 6th, asking for the legislative record of Honorable James DOMENGEAUX, the Congressman from the Third Louisiana District.

As you know, he is a World War II veteran and a member of The American Legion.

In addition to the voting record, which I am attaching hereto, I might add that he has taken a very active interest in legislation affecting veterans, and in particular bills which we have requested him to introduce on our behalf. During the Eightieth Congress he introduced for us H. R. 1342, exempting from income tax individual income up to \$5,000 earned in certain taxable years following discharge; and H. R. 3691, providing for the continuance of compensation of pension payments and subsistence allowance for certain children of deceased veterans of World War I and World War II during education and training.

When he was a member of the House Veterans' Affairs Committee he visited a number of veterans' hospitals in connection with the inspection program authorized by that committee and as a result of the Veterans' Administration.

I trust this is the information which you desire.

Sincerely yours,

JOHN THOMAS TAYLOR,
Director, National Legislative
Commission.

DISABLED AMERICAN VETERANS
NATIONAL SERVICE HEADQUARTERS,
Washington, D. C., May 10, 1948.

Mr. SIDNEY DAIGLE,
Past Commander DAV,
Lafayette, La.

DEAR Mr. DAIGLE: This will acknowledge receipt of your letter of May 1st, requesting information as to the legislative record of the Honorable JAMES DOMENGEAUX, Representative of the Third Louisiana District. In reply please be advised that so far as veterans' legislation is concerned, we of the DAV have found Congressman Domengeaux most helpful and cooperative.

Congressman Domengeaux has always taken special interest in the welfare of veterans and has sponsored much legislation in their behalf. This included the increase granted in the rates of compensation, pension and retirement pay of veterans of both World Wars and their dependents. He is author of a bill to extend to children of men who died in World War II the educational benefits of the GI bill of rights. He has sought tax relief for veterans of World War II, and the enactment of a measure which he introduced in Congress has made it possible for veterans to have priority in purchasing surplus boats, 65 feet in length or under, from the Government.

Congressman DOMENGEAUX was formerly a member of the House Committee on Veterans' Affairs, in which connection he was particularly active. He took a prominent part in adoption of the GI bill of rights and as a one-man subcommittee inspected various veterans' hospitals. His recommendations for improved conditions undoubtedly

influenced to a considerable extent the reorganization of the medical service of the Veterans' Administration. His record as a member of the Committee on Veterans' Affairs was excellent from the viewpoint of veteran organizations. He is now a member of another committee, but has retained his great interest in veterans' legislation.

I hope this information will be of assistance to you in your chapter.

Yours very sincerely,

FRANCIS M. SULLIVAN,
Director.

VETERANS OF FOREIGN WARS OF THE UNITED STATES

National Headquarters

OFFICE OF DIRECTOR, NATIONAL

LEGISLATIVE SERVICE,

Washington, D. C., April 23, 1948.

To Whom It May Concern:

This is to advise that to the best of my knowledge and belief Representative JAMES DOMENGEAUX, of Louisiana, has a most favorable record in the Congress of the United States with respect to legislation affecting veterans and dependents of veterans. This office, as legislative spokesman for the Veterans of Foreign Wars of the United States, has always found Mr. DOMENGEAUX sympathetic and cooperative to our legislative program.

No effort has been made by this office to appraise Mr. DOMENGEAUX's record on legislation other than that which affects veterans and their dependents because it is not within the province or jurisdiction of this office to judge a Member of Congress except on his record dealing with veteran affairs. Mr. DOMENGEAUX was at one time a member of the House Committee on World War Veterans' Legislation which handled the bulk of veteran legislation in the House of Representatives and his record as a member of that committee was excellent from the viewpoint of veteran organizations.

Very truly yours,

OMAR B. KETCHUM, Director.

AMVETS

NATIONAL HEADQUARTERS,

OFFICE OF THE LEGISLATIVE DIRECTOR,

Washington, D. C., June 8, 1948.

MY DEAR MR. DOMENGEAUX: In behalf of the American Veterans of World War II, better known as the AMVETS, I wish to take this means of expressing the appreciation of our organization for your efforts in Congress in behalf of the veterans and their dependents. We have observed your outstanding record in veterans' legislation matters and we are also familiar with the assistance you have given so many veterans with their individual problems. As you are yourself a veteran you are in an excellent position to best understand our views and our needs.

•We are particularly grateful for your work in sponsoring legislation increasing the rates of compensation, pension, and retirement pay for veterans of both world wars and their dependents. You are also to be commended for the introduction of a bill to provide income tax relief for veterans of World War II.

You recognized a duty the Nation owes to the memory of the men who died in World War II, by introducing legislation to extend to their children the educational benefits of the GI bill of rights.

You made it possible, through another measure in Congress, for veterans of World War II to have priority in the purchase of surplus boats of 65 feet in length or under, and you took a very active part in the enactment of legislation enabling veterans to convert their terminal leave bonds into cash.

As a member of the Committee on Veterans' Affairs you had a prominent part in

the preparation and adoption of the GI bill of rights. Also as a member of the committee your energetic and thorough inspection of veterans' hospitals and your recommendations in this connection were followed by the reorganization of the medical service of the Veterans' Administration, a step which had long been necessary.

We are very glad to take this opportunity to express our thanks.

Sincerely yours,

ROBERT E. McLAUGHLIN,
National Legislative Director.

I took an active part in the enactment of legislation to provide housing facilities for veterans. I was also active in the movement to provide terminal leave payments and to convert these bonds into cash. Through my efforts several additional offices of the Veterans' Administration were established in Louisiana to better meet local requirements.

MUSKRAT INDUSTRY

Large numbers of our citizens depend upon the fur industry for their livelihood. Muskrat fur trapping is a very important one in the third Louisiana district. I have looked after the interests of the trapper at all times, particularly in the matter of a just return for their labor and securing for them fair prices for their skins. During OPA days I made a determined fight for lifting the ceiling price on muskrat fur, as the ceiling that had been established was creating a black market and working hardships on those engaged in trapping.

FEDERAL SCHOOL AID

I consider that it is necessary for the Federal Government to assist our schools. I recognize that our teachers throughout the Nation are underpaid for the great work and responsibility that they shoulder. The problem involved in providing proper educational facilities and adequate salaries for teachers has become too extensive for the States to bear alone. There is no good reason why the Federal Government should not help in this matter. It is a national problem like health or safety or highways. It is a matter of national interest and national responsibility. Of course, we must guard against Federal control of schools. Bills that Congress considered during this session provide this safeguard. I regret that Congress did not enact these bills into law. I pledge and promise myself to see that this legislation is reintroduced in the next Congress and will work untiringly for its successful enactment.

FREE SCHOOL LUNCHES

Without the aid of the Federal Government, Louisiana and other States, would not be able to give free school lunches to our school children. The Federal Government has contributed hundreds of thousands of dollars yearly to the State of Louisiana for this purpose and you may be assured that I will continue my efforts in seeing that these appropriations are continued so that school children of our State may be assured of appetizing and nutritious school lunches.

OLD-AGE PENSIONS

It is the duty of the Federal Government to look after the welfare of our old

people who need help. Surely they should not be forced to face privation and disaster after they have worked hard all of their lives. The Government can and should give them the assurance of security in their last years.

The Federal Government now contributes up to \$25 per month payment for the old folks and the blind and up to \$13.50 per month for dependent children. I am glad to state that only a few days ago Congress adopted legislation which will increase Federal payments to the old folks and the blind \$5 a month and to dependent children \$3 a month.

Our State has long struggled with the problem to furnish aid to the aged, the blind, and dependent children. Without Federal cooperation State aid would amount to comparatively little. If increases are to be granted, as have been planned in Louisiana, and elsewhere, it is necessary that the Federal Government offer additional benefits. The action of Congress makes this possible.

AUTHOR OF OLD-AGE PENSION BILL

When I first came to Congress in 1940 I introduced an old-age pension bill which would have provided at least \$30 per month. This represented a substantial sum at that time, but because of the high cost of living today this amount is not adequate. For that reason I have introduced another bill known as H. R. 6638 which would provide direct Federal old-age assistance at the rate of \$60 per month to citizens 60 years of age or over.

I am sure that you realize that in Louisiana today over half of the money that goes toward paying an old-age pension is paid by the Federal Government. I am glad to state that I have voted and advocated these payments and will continue my efforts toward assisting the old people of the State.

TIDELANDS

The protection of the rights of the States to submerged lands within their respective boundaries is of vast importance to Louisiana. The income from these lands, through oil leases and otherwise, go to the State and Parishes and make many public improvements possible, as well as contributing greatly to the financial support of our schools. Recently the United States Supreme Court held that these tidelands belonged to the United States instead of to the respective States. Louisiana stands to lose over one billion dollars by this decision.

LEADS FIGHT

Shortly after the United States Supreme Court decision I introduced legislation in the House of Representatives for the purpose of having the Congress declare these lands belong to the States. The House of Representatives recently passed a measure which included the provisions of the bill I introduced. Unfortunately the Senate failed to vote on this legislation. As this is so important to the State of Louisiana, and since we stand to lose over \$1,000,000,000, which is ten hundred thousand million, I in the new Congress next year, will do everything in my power to reenact this legislation with the hope that it will successfully pass the Congress.

TAX REDUCTION

'Tax reduction is necessary for the health of the American economic system and as a precaution against depression periods.

I voted for the income tax reduction bill in Congress this year because it was greatly needed for relief of the American taxpayer from an excessive tax burden. I will continue to vote for tax reduction at every opportunity, providing it does not impair our national security and stability.

American business should be granted every opportunity to exercise free enterprise and initiative, with the least possible Government interference. Small business should be especially protected. There has been entirely too much Government regulation of business, even in time of war. I have consistently opposed moves toward business regimentation by the Federal Government, and have opposed legislation that would endanger small business because of monopolistic policies.

I have frequently criticized bureaucratic government and warned against increasing Federal control. The Government is intended to be the servant of the people, not the people the servants of the Government. States' rights must be respected and the principle of local government recognized to the fullest extent. The Federal pay roll should be watched carefully and all possible reductions made, consistent with good public service.

THE SOUTH AND CIVIL RIGHTS

I have fought at every opportunity the so-called civil rights program recently advocated by the President at the expense of the South. I will continue to do so, for this is a matter that strikes at those natural rights which we in the South enjoy as a heritage from our forefathers, who established the principles of States' rights and self-government.

Prominent in the civil-rights program is the proposal for Fair Employment Practices Committee. This would mean Federal control over private business; the right to say whom a business man should employ, regardless of race or color. The FEPC would destroy initiative and free enterprise.

The civil-rights program is opposed to segregation of the white and Negro races. If this idea was put into effect it would be a body blow to the South and to her people who know best how to handle the Negro situation.

Those who argue for antilynching legislation and an anti-poll-tax law, the abolishment of segregation, or for the FEPC disregard the fact that the first three would be an illegal invasion of States' rights and the latter an encroachment upon the fundamental conception of free enterprise.

The whole South must join in this fight, for those things which the South hold sacred are in danger of being destroyed. You can depend upon me to make this fight to the bitter end.

MY SERVICES APPRECIATED

I am very much gratified over the numerous expressions of appreciation re-

garding the services I render. The following extracts are taken from some of the many letters, telegrams, and other communications addressed to me by my constituents and others:

It is with pleasure I write to express my gratitude for your approval of the Federal Aid to Education bills. We of Terrebonne Parish hope that no complications will arise to prevent you from giving them your continued support.

Mrs. ODESSA BABIN,
Schriever Route, Box 126.

Be it resolved, That the teachers of Terrebonne Parish commend Representative James Domengeaux and express their appreciation to him for the interest that he has taken in the affairs of the teachers and children of the State and Nation.—(From resolution adopted by Terrebonne Parish Teachers Association, Marguerite E. Watkins, chairman.)

GERMANY, January 2, 1945.

I really admired your action in resigning from Congress to join the Army as a private. I'm sorry you had to get out on a medical discharge, but I feel that a guy like you can do us more good in Washington than as a private anyway.

Lt. WILLIAM J. DODD,
(Now Lieutenant Governor of Louisiana.)

Thank you and your office for the splendid cooperation in getting adequate housing here for veterans. With the completion of the apartments at the airport and the 118 which were recently constructed on the campus, I feel that the problem is well on the way towards being solved. We deeply appreciate your cooperation in this matter.

JOEL L. FLETCHER,
President of Southwestern Louisiana Institute.

My people join with me in expressing their appreciation and thanks for the fine cooperation given to the town of Thibodaux in getting planning money from the Federal Works Agency for our city projects. Accept personal thanks from me.

CHAS. E. DELAS, Mayor.

I received a copy of your remarks on increased pay for servicemen. I am proud to know that you are still fighting for us and for our people at home. I am one of the happiest soldiers in the service to know that I have not been forgotten by our Congressman.

Pvt. PAUL J. BREAUX.

It is with pleasure I write to thank and congratulate you for your good work and your support as a Member of Congress from Louisiana in increasing the pay for men in our armed forces. I felt proud to show all the boys in our company how you have done your part in passing the bill we have been waiting for so long. You will never be forgotten.

Pvt. CLAUDE JUDICE.

I wish to thank you for the help you gave me in obtaining for my son, Charles L. Broussard, his subsistence pay while attending the Acme Neon Institute in Chicago. Charles is very appreciative also of your kindness in this matter and sends his best regards.

Mrs. J. L. BROUSSARD,
New Iberia, La.

The Lafayette Parish World War II Veterans Association extends its thanks and ap-

preciation for the assistance and splendid cooperation which you have rendered in our campaign for veterans' housing and fair rent rates.

CHARLES PERILLOUX,
President.

I want to thank you for your letter of the 14th with copy of your speech enclosed, both of which have reference to the absurd action of Price Administrator Leon Henderson in ceiling the price of raw sugar at 3.5 cents per pound, and to compliment you on the vigorous opposition that you offered on the floor of the House.

GEO. L. BILLEAUD,
Broussard, La.

Your efforts to secure an effective priority rating for the owners of power boats in the fishing industry is very much appreciated by the owners and operators of such boats.

C. E. KING,
THE MORGAN CITY REVIEW,
Morgan City, La.

The Jeanerette Chamber of Commerce wishes to express its thanks for your prompt efforts in helping us to maintain the dairy at the Iberia Live Stock Experiment Farm. It is our hope that the experimental farm will be allotted sufficient funds for continuation.

L. C. LAMPO, Jr.,
Secretary-Manager, Jeanerette Chamber of Commerce.

I want to thank you for your interest and good work in behalf of the United States postal employees' H. R. 5059. This increase in pay is much needed by all. We know we can always count on you for a helping hand.

JOSEPH E. BLANCHARD,
Postmaster, Raceland, La.

Thanks for everything, and if I can ever repay you in any way for the interest you are taking in me, all you have to do is tell me what I can do for you.

RUFUS W. FONTENOT,
New Orleans.

I wish to thank you for your telegram received today about my son, Wilson M. O'Neill, who is in England in a hospital. Your news was very welcome, and I assure you Anne and I both appreciate your efforts in the matter.

W. M'KERALL O'NEILL,
Franklin, La.

At our recent Louisiana parent-teacher convention in Lafayette, our organization reaffirmed its belief in the urgent need of Federal aid to education. We appreciate all your efforts in helping to secure this legislation.

Mrs. W. S. VINCENT,
President.

I really believe this editorial represents the opinion of a great majority of the people of this section. (Editorial referred to appeared in Lafayette Daily Advertiser of June 18, 1946, commending members of Louisiana delegation in the House of Representatives for voting to override the Presidential veto of tax-reduction bill. It stated in part: "Congressman James Domengeaux was lined up with the Louisiana delegation and the Democrats who crossed the party line in the effort to save some money for the overburdened taxpayer. The Third District is to be congratulated that its Congressman had the welfare of the people at heart and that

he was not concerned in the expediency of politics.)

A. P. ELLIOTT,
Lafayette, La.

You have read my wishes in your demands on President Truman regarding rice and sugar. I am as yet wondering why the unadulterated discrimination against southern farmers. Glory to you.

Dr. A. A. COMEAUX,
Abbeville, La.

I wish to take this means to tell you that your vote on matters of importance have coincided with my views most of the time and have met with my hearty approval.

G. O. PHARR,
New Iberia, La.

I want to take this means of thanking you for all that you have done for me in settling a travel claim. Final payments have been received.

JOHN R. REAUX, *Veteran,*
Lafayette, La.

With reference to our phone conversation and the wires we exchanged, I wish to express my appreciation for the efforts you put forth and the manner in which you kept us posted on developments. Your bill on the oyster situation is causing much favorable comment from the oyster people around here, and it is another act for which you are being highly commended.

DONALD BOLLINGER,
Lockport, La.

I am in receipt of notice that our WPA street and drainage project has been approved by the President. I want to thank you for your efforts in having this project approved and assure you that all of the residents of Abbeville appreciate your services.

J. E. KIBBE, *Abbeville.*

Your letter of the 9th was received, together with a copy of your speech in regard to Nation-wide rationing of gasoline. I was very much interested and impressed by the speech you delivered in Congress and wish to tell you that this country needs your type of representative in Congress who is not afraid to express his beliefs. Keep up the good work. We are with you.

GUST CATSULIS, *New Iberia.*

Just to let you know I deeply appreciated your prompt attention and answer to my inquiry. Mrs. Duhon and I both thank you for your kind and courteous service.

J. O. DUHON, M. D.,
Lafayette, La.

At a recent meeting of our organization we discussed with elation the manner in which you supported the passage of our retirement bill. We unanimously resolved to take the pleasure and the privilege of thanking you for your interest in our legislation.

ABRAHAM KOKOCINSKI,
President,

CLARENCE O. LEBLANC,
Secretary,
Branch 1760, National Association
of Letter Carriers.

provide beneficial returns to State and Nation. We commend your action and offer our continued help to further this cause.

LAFAYETTE CHAMBER OF COMMERCE,
LEE G. LAFOSSE,
Secretary-Manager.

We want to thank you for the special effort and attention you have shown in behalf of the sirup manufacturers of Louisiana. We will be glad to furnish any information you may need.

C. S. STEEN SYRUP MILL, INC.,
J. WESLEY STEEN,
Abbeville.

I want to take this opportunity to thank you for the work you have been doing in behalf of the Louisiana sirup manufacturers. The situation is very serious with quite a number of us, and unless we get some relief through the Government purchasing a large quantity of the 1947 crop it is going to be tough sledding. Please keep up the good work; I am sure you will do all that you can to help out.

HALL GRAIN & SYRUP Co.,
H. T. HALL,
Manager, New Iberia.

I want to let you know that the people around here are for you. They appreciate the things you have done for us in Congress.

LYDIA COMEAUX,
Milton, La.

I want to thank you on behalf of the Vermilion Parish Teachers' Association for your support.

NOAH LANGLINIS,
President, Indian Bayou, La.

Your letter and your remarks in the House of Representatives, Tuesday, May 12, 1942, were received today. I want to commend you on the stand you took relative to increasing the pay of men in the armed forces. I have two sons in the country's service. Needless to say I am proud of them, but I too think the boys who have had to give up their home life deserve an increase in pay. So again I congratulate you on your noble stand.

MRS. LLOYD B. MILLER,
Abbeville, La.

This is to express the sincere appreciation of the large segment of the rice industry which we represent, for your untiring efforts and the splendid contribution which you made in having the administrative agencies of the Government provide an export allocation for rice, principally for shipment to Cuba. This allocation, although long and unnecessarily delayed, will permit millers and exporters to dispose of the surplus from the 1947 crop, and enable producers to prepare for the 1948 crop with some assurance of being able to obtain a fair price.

THE RICE MILLER'S ASSOCIATION,
W. M. REID,
Executive Vice President.

I would like to take this opportunity to thank you for the favor rendered my son, Edward, and myself. It is nice to have friends that you can depend on when you are in trouble and that is exactly what you have done for us. Edward was in the Marines and wounded three times, and is still a little nervous. Not receiving his pay did not help matters at all. Through your kind efforts the check has been received.

LARRY LOGAN, *Lafayette, La.*

I was fortunate enough to read a copy of the CONGRESSIONAL RECORD in which you put up a fight for the soldiers' increase in pay. May I congratulate you for the work and effort put forth on that bill. I hope every father and soldier in the Third District realize the good work you have done.

J. J. PRINCE,
Lafayette, La.

Thanks for your vote and support of farm bioc bill regarding new formula for parity price. Keep up the fight we know you can put up and will. We appreciate your work.

LAFAYETTE PARRISH FARM BUREAU,
S. A. CALLAHAN,
President, Lafayette, La.

Your brilliant work played an important part in winning the game. Congratulations. We are solid behind you.

A. O. RAPPELET, *Houma, La.*

I want to thank you for your efforts in the matter of automobile deal discounts before the House Small Business Committee. Your interest and efforts in this matter are very much appreciated and I hope you will continue them toward a just settlement.

JOS. A. DAIGRE,
President, New Iberia Auto Co.,
New Iberia.

I want to sincerely thank you for your wholehearted efforts which resulted in the announcement of decontrol of all types of shrimp. In behalf of the industry and your many friends here, and for myself, please accept sincere thanks.

JULIAN M'PHILLIPS,
Chairman, Shrimp Industry
Advisory Committee.

Moved by Mr. Howard Olivier, seconded by Mr. Roy LaBauve, that the police jury of Iberia Parish extends its expression of gratitude to United States Representative James Domengeaux for his good work in trying to have government controls removed from sugar and rice. Motion carried. (From minutes of meeting of police jury of Iberia Parish, November 14, and submitted by Marcui Deblanc, secretary and treasurer.)

It is with gratitude that I express my sincere appreciation for your continued and successful effort concerning the dredging of the mouth of Bayou Lafourche. I cannot over-emphasize the value of this project and what it means to our industry and I take pleasure in assuring you that I and the community will be ever grateful.

E. MILTON EGLE,
Golden Meadow, La.

OFFICE POLICY

Since I have been in Congress I have followed certain policies which have enabled me to render careful and able service to my constituents:

1. Answer mail promptly.
2. I never ask "For whom did you vote in the last election". I ask, "What can I do to help you"?
3. Always remember that each day is a day closer to the next election when an accounting must be made.
4. There is no unimportant problem to the constituent who seeks the aid of his Congressman, and if it is important to my constituent it is important to me.
5. There are no factions or political lines after the vote is counted. A good

Congressman is everybody's Congressman.

6. It doesn't matter who you are, what you are or where you came from. If you think enough of me to ask my help, I think enough of you to do all I can to help.

7. I can't do everything, but I do everything I can.

8. A direct question justifies a direct answer. It must either be "Yes" or "No".

9. You may not agree with me but you will always know where I stand.

10. I am hired by the people of the Third District to represent them. It is a 24-hour job. I have no other business or interest, except that of being a good Congressman—and being a good Congressman takes undivided attention and time.

IMPORTANCE OF EXPERIENCE

The value of the service of a member of Congress and his ability to help his people increase with each succeeding term of office. I would like to refer to a statement by that great statesman and former Speaker of the United States House of Representatives, the Honorable Champ Clark:

A man has to learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer or a doctor * * * A new Congressman must begin at the foot of the class * * * The best rule * * * is for a district to select a man with at least fair capacity, industrious, honest, energetic, sober and courageous, and keep him there so long as he discharges his duties faithfully and well. Such a man will gradually rise to high position and influence in the House.

I am glad to have had this opportunity to review in general my record as a member of the United States House of Representatives. I greatly appreciate the honor the people of the Third Louisiana District conferred upon me when they selected me to represent them in Congress, and their approval of my work as expressed by my reelection for the past three successive terms of office. I trust that I will have the privilege of continuing my service to them and to the Nation.

Seven-Billion-Dollar Treasury Surplus

EXTENSION OF REMARKS OF

HON. GEORGE MacKINNON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of
Thursday, June 17), 1948

Mr. MacKINNON. Mr. Speaker, the irresponsible charge that the bill which cut income taxes \$5,100,000,000 would unbalance the Federal budget has been proved false by the recent statement of the Secretary of the Treasury reporting a Treasury surplus of "more than \$7,000,000,000" for fiscal 1948.

The newspaper report of this statement which appeared in the Washington Times-Herald on June 17, is included:

SNYDER FORESEES SEVEN-BILLION SURPLUS

Secretary of Treasury Snyder said yesterday the Government will wind up the current

fiscal year June 30 with a budget surplus of more than \$7,000,000,000.

Snyder told a news conference the excess of income over spending will be "very close" to President Truman's \$7,482,000,000 estimate, despite an expected \$600,000,000 loss in revenue due to the recent tax cut.

Snyder declined comment on recent automobile or other price increases. He said he has not had a chance to analyze the producers' costs.

He recalled he had "urged manufacturers, industrialists and businessmen not to over-price" where their 1947 year-end financial statement showed excessive profits. He said he will do so again if their 1948 semiannual statements show excessive profits.

Snyder was silent about congressional plans to adjourn without enacting Mr. Truman's program for price controls and other anti-inflationary steps. He said Mr. Truman has outlined his own views definitely, and "let's rest on his statement."

Selling—A Friendly Journey

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of
Thursday, June 17), 1948

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I would like to include a brief of the address recently delivered before the Worcester Sales Executives Club by Mr. Harry G. Goddard, president, Wyman-Gordon Co., Worcester, Mass. Mr. Goddard's speech, titled "Selling—A Friendly Journey," outlines the early history of Worcester, giving well deserved tribute to those pioneer men and families mainly responsible for the foundation and development of our modern city; his talk contains many pertinent and timely references for the inspiration of the young people of today.

Mr. Goddard is preeminently qualified to recount this thesis, having risen from humble beginnings to a foremost position among the outstanding industrial executives of the United States.

His address follows:

It is a great honor to be asked to address the Sales Executives Club of Worcester. I prize the opportunity because of my regard for its members and because of the part they are playing in our city and national life. It would ill become me if I should feel that I could give guidance or instruction in the important art of selling to such an expert audience. The notice of this meeting depicted as stepping stones to success: Hard work, confidence and good will. These qualities indeed are high on the list of those required for success.

I wish to congratulate your previous presidents, Mr. George Abbott and Mr. Everett Merrill, and Mr. William R. Moore, now president, on the great progress your club has made, indicated by this splendid assemblage on its second presidents' anniversary night. You, like many others, are spreading the story of Worcester of which we are justly proud.

Today, Worcester is a city of 200,000 people with greatly diversified industries, many cultural institutions, and an enviable worldwide reputation in many fields. I asked myself why this could be, in a location devoid of many natural advantages and far from raw

materials. The answer is "men." Progress such as this does not just happen. It may seem foreign to my subject to ask you to think with me for a few moments about these men and their accomplishments, but, as we tell their story we will realize that they laid the foundations which made possible the industries you represent.

Lend me your imagination and consider what we would find if this entire group here could from some far-off land have been dropped into the beautiful valley where Worcester is situated, approximately one hundred years ago. We would have found a little community of approximately 10,000 people. There would have been little to tell except the record of the courage and vision of the men there, and their belief in the future of American freedom and enterprise. It is because of such men, willing to work, to sacrifice and to risk, that we have here, and in many like communities throughout our land, the conditions of which we are so proud.

There was a time when commercial activities were looked upon with a certain degree of condescension. That time has long since passed. It is now fully acknowledged that the resources required for the upbuilding of our country could not have been available except from the proceeds of business given by men successful in their fields. Their interests were not primarily in profit or display. Their pride was in accomplishment and in the community benefits so well exemplified in the instances that I would like to call to your attention.

One hundred years or more ago there was a storekeeper at the north end of the city, now called Lincoln Square, named Stephen Salisbury. He and his descendants through the third generation, were successful, and made wide investments and great contributions to the development of Worcester. The institutions owing the Salisbury's a great debt are the Worcester Polytechnic Institute, the Worcester Art Museum, the American Antiquarian Society and many another civic activity of Worcester.

William Merrifield, a builder, foresaw that "mighty oaks from little acorns grow." One of the wonders of his day was the "Merrifield Building," built by him for lease with power to infant industries. Built in 1854 it was 1,000 feet long, three stories high, and 50 feet wide. The power was a 359-horsepower steam engine, the largest and one of the costliest in Worcester. It is interesting to note that this project is in line with the plans of the economic group of our chamber of commerce which is using the same method for aid and encouragement to new and small enterprises.

Washburn is a worthy name in Worcester, Ichabod, the blacksmith, being the first. Renting space in a small factory built by the Salisburys, he founded the wire and steel industry. The rent for his first building was \$1,011 a year. From this small beginning came the Washburn & Moen Manufacturing Co., now succeeded by the American Steel & Wire Co. Mr. Washburn is another example of the civic-mindedness of the businessman of those days. His contributions were many to all good causes in Worcester including the Worcester Polytechnic Institute, where he put into practice the idea of a work shop as an adjunct to textbook education.

The "dividends" from the contributions of these and other pioneers are indicated by the many successful industries which have benefited by the institutions these men founded. An outstanding example is the Norton Co., manufacturers of abrasive wheels and machines and our largest industry.

The beginning of this company was in a little pottery where someone had the idea materials could be put together and produce something which would grind surfaces better and cheaper than could be done with the natural stone. Two professors at the Worces-

father's postwar peace plan, undoubtedly the sanest, wisest, most disinterested, in fact really the only true, correct and effective solution of the whole confusion which faces mankind. To make this clear to you is the purpose of today's broadcast.

The fact is that men in power in the world today are attempting first to imagine and then to create some sort of international court or tribunal or power to control the ambitions, greeds, animosities and aggressions of nations. We have learned how to do that pretty well for individuals within a single state or nation, but beyond that, historically, we have never progressed successfully, due to the numerous national sovereignties, loathe to submit themselves to any other power, even such as a United States of Nations.

Really most of the success of our efforts to control and govern individuals within a city, or state or single nation is due more to the individual's recognition and respect for the first four forms of law, than it is to the fifth form merely, that is human civil law. But our modern lawmakers are not very much given to admitting that fact. They are apt to give far too much credit to the laws they make themselves. And so when the law powerful men in whose hands the world's fate happens to rest at the moment, confer about peace, they proceed upon the very false assumption that the laws or regulations which they frame are the really important things, forgetting that usually they have about the same strength and permanence as a shifting breeze, unless backed up by military forces, which they will no doubt be in the future.

They may or may not try to make them appeal, on grounds of reason, to all nations, but after all, the other nations can see in them only the political theories of a handful of men, whom they may or may not like,—nothing more. And therefore whatever the proposals, they are always open to the same old suspicions of self-interest, "nonliquidation of power already attained," whether justly or not is left unsettled. And so these originators of new schemes for peace look around for some sanctions, some means to enforce their theories, or charters, or agreements, or treaties, or pacts, and usually they can find none, except military might.

Having excluded God and His law, or taken for granted that God's word has no influence with the nations with whom they are dealing they are driven to rely upon an international police force, hitherto non-existent. But when the international police force has to be invoked to discipline one or two of the four or five nations who comprise it: what then? Where are we? Just about where we were with the League of Nations, or in other words: nowhere. And that is the actual, sad situation which faces us.

What then is the answer to this problem? Simple enough, as the Pope gives it, merely echoing God's own words:—

"Go back to the beginning and teach all men what I their Almighty Creator have said and done. Substitute for the confused vamping of diplomats, the far more simple, more fundamental and truer divine code: all so clearly universal, so easily remembered, the only laws that have ever meant peace, order and prosperity for individuals and nations, the laws which I gave to Moses, the Hebrew formula which built up a great race, that formula which Christ, my divine Son, then strengthened by observance and extended to all peoples. That law I have written upon every human heart when I created it. It is still there and need only be appealed to, and insisted upon by other lawmakers and listened to by all subjects who in so doing will be listening, not to a Stalin or a Hitler, but to their own Father who is in heaven."

And not until all men do recognize it and obey it, will we ever have peace or security in the world. It is only because it is denied

and disobeyed that we have any wars at all! Wasn't Versailles proof enough for us of the futility of man's plans, when by secret pact the only voice in the world which insisted upon these basic laws, was excluded from taking any part in the Peace Conference? Must we now repeat the same mistake because a Stalin asks, as he did at Teheran, "Who is the Holy Father? How many divisions of soldiers did he contribute to the Victory?" How much thought is given to the voice of the Almighty, in all the conferences which have taken place to date?

An interesting story is told of the visit of President Woodrow Wilson to the Vatican on January 4, 1919. He had just crossed Europe in triumphal procession and was finally received by Pope Benedict XV midst scenes of medieval splendor. Court etiquette required that he then pay a formal call upon the Papal Secretary of State, Pietro Cardinal Gasparri, that eminent canon lawyer who for 13 years had labored, at the bidding of the Pope, to create the new code of canon law that was to modernize, simplify, and supplant all previous law and extend to the whole world.

The President at the time was on his way back to Paris and to Versailles for the Peace Conference. The Cardinal Secretary of State had lived and taught law in Paris for 18 years. He knew its every cross-road, its every cross-current of international opinion and intrigue. He also knew that the Vicar of the Prince of Peace, the only unselfish exponent of that true peace which the world cannot give, had been excluded from the peace table by a pact hatched in ignoble secrecy. He no doubt felt that the idealistic President of the United States of America, acclaimed as the savior of the world, no less!—was like an innocent abroad, a mere child in diplomacy in comparison with the Europeans with whom he was about to deal. The aged, experienced Cardinal must have looked into the steel blue eyes of the American dreamer and wondered sadly how he would fare at Versailles.

As his guest rose to depart, Cardinal Gasparri placed in his hand a gift, a token, an ominous token one might say, of his visit to the house of Peter the Fisherman. It was a book, beautifully bound in white parchment. On its cover gleamed in letters of gold, the title: *Codex Juris Canonici* (the Code of Canon Law). It was the law by which the Catholic Church rules and governs her 300,000,000 children of all races and nations. Its distinctive feature, in contrast to all other codes of law, is that it is a clear, simple, logical, impersonal series of practical rules of life, deduced by scholars from the natural law planted by God in every human heart, reinforced by further expressions of the divine will found in Scripture and the traditional teaching of the church, His voice to men on earth. Truly a contrast indeed to many types of civic law which govern nations, laws ranging from the popular voice of unthinking majorities to the overnight whims and ultimatums of dictators.

It was as if Michelangelo had presented him with his masterpiece of painting or sculpture. It was indeed the masterpiece of this great canon lawyer, the child of his brain, in the sense that it was the fruit of years of study, research, experience, and judgment. In fact it was the distillation of the Catholic Church's practical wisdom gathered from 2,000 years of dealing with men, and all compressed within a single book of law. What a significant gift to bring to the glittering Hall of Mirrors at Versailles, where the fate of nations was to be decided. Significant gift, yes; it really contained the secret of true just, lasting peace, although little did Wilson realize it and still less did he or anyone else use it. It contained the world-sanctifying program of Christ's earthly kingdom. But it remained unread and un-

opened by the bargainers who patched together that so-called peace.

And the pity of it all is that history bids fair to repeat itself. Law is an impersonal thing, by which persons are guided, ruled, governed according to a plan of wisdom and justice, of rights, duties and responsibilities, established by God, not invented by man. Law has many forms and names—natural, divine, ecclesiastical, human, civil, national, international—of which we have spoken in detail now at some length, but if it is true law, it must be logically deduced, it must flow clearly from the will of God, ordaining and promulgating a certain order of right living for His human creatures on earth. Otherwise, it is not true law, worthy to bind the noble spirit and free conscience of man.

But if it is derived legitimately from the authentic source of God's will, then all men are automatically subject to it, no matter to what nation they may belong. None are above it, no matter what their position, for to place one's self above it, would be to make one's self the equal or superior of God.

That is the concept of law which the Catholic Church teaches to the world.

On the contrary what is law in the minds of the statesmen who rule the world today? It is no more than the will of some individual man, or group or combination of men, temporarily in the saddle, shaping other men's destinies to their own will, enslaving their freedom to some ambitious program of their own concoction. If any higher law should stand in their way, it is ruthlessly brushed aside. All who would proclaim it, are silenced by threat of hangman, firing squad, or concentration camp. Thus do personal schemes of power become the law of some lands. And such a concept of law leads automatically and has led actually to the woes in which the world finds itself engulfed today.

Therefore the First Step in the Holy Father's peace plan is to recall all men, with special emphasis upon those in places of power, to the acceptance of that supreme law of right and wrong that is above and independent of any man or combine of men, however powerful, that law which flows directly, logically and impersonally from God's will and commandments: that law which continues to thunder: "Thou shalt not steal," no matter what nation may be the thief, no matter whether the thief be the victor or the conquered—that law which continues to announce: "Thou shalt not commit adultery" no matter if 80 percent of a nation laugh light-heartedly at such an old-fashioned idea, no matter even if the state itself has actually thrown the mantle of legal protection over such immorality.

And unless men do return to the acceptance of that divine law in its entirety that law proclaiming right and wrong as calmly, boldly, openly, fearlessly and impartially to a ruthless totalitarian state as to a democracy, or monarchy or single individual, then men must be ready to bow as slaves to whatever madman may grasp the reins of any government and impose his crazy will upon a hopeless and helpless world.

Pray that those who attempt to formulate the postwar peace may accept God's idea of law. Pray, I say, because the chances are about even that they will not. The temptation is great indeed, perhaps too great to resist, that they will make their own wills and schemes, backed by their own militaristic power and quite regardless of any higher will, the law of the future under which we will all have to live.

POPE'S PEACE PLAN—PART II

All minds are yearning for peace, and the air is filled with plans for post-war peace. And yet for the last 300 years or more, this world has not known any real peace. It has known only periods of armistice, like the years between the treaty of Versailles and

the German invasion of Poland. Why? Because after the treaty of Westphalia in 1648, Europe entered upon a long period, not yet ended, of intense nationalisms, so anti-Christian in character that the church's influence over rulers was scarcely any more than a warning finger pointed in the direction opposite to the course upon which they were travelling.

It was Protestantism which shortly before had lessened Europe's respect for Peter's voice. And that unbelieving attitude gradually settled into an habitual ignoring, if not a proud, obstinate, superior contempt for such pious teachings, as not sufficiently worldly wise. As a result, there has not been in the world for 300 years now, any central agency, any universally recognized power house of truth and authority, sufficiently strong to curb these warring nationalisms, with their worldly wise ambitions and greeds, no voice to which they would listen when any questions of justice and morality would stand in the path of their plans. The result of that mad, unchecked race for power is only too evident now.

There was a time, and would to God it could return to this distracted world, when the whole Christian world at least did recognize a supreme arbiter and judge of right and wrong, someone to whose disinterested decisions all men could safely look with confidence, with a trust based, if not on an infallible divine guidance, then at least based upon an impartial, fatherly love of all men as his own spiritual children in Christ, whatever their nationality. That time, I repeat, has been gone now for 300 years. And as a result, men have strayed farther and farther away from any practical idea of unity and harmony among themselves.

And now we face the enormous, if not insuperable problem of creating a peace that will be permanent at last. And it will be permanent only if it is just. For it is instinctive in the human heart, and gloriously so, to resist injustice just as soon as physically able to do so. What are the chances of success? I said last week, that they were only about an even 50 percent. Why? Because we placed as the first condition of success, the acceptance by all men of an eternal, unchanging fearless law of which God, not men, is the author.

And some of those who will make the peace will bow to no law, even God's higher than their own will. The men who will be in the saddle will likely be men and nations whose worldly interests might be somewhat thwarted by the dictates of Christian principles. God's law might call for too much generosity, kindness, charity, forgiveness. These men will prefer to think about vengeance, about ever greedier plans of conquest, holding of past and present gains, "non-liquidation of empires" to quote a classic expression, they will be thinking in terms which will make the victors more powerful and the conquered still weaker, but not less resentful. The danger is that the pattern of the peace will be the same old futile formula: treaties and secret agreements reinforcing special privilege for the most powerful of the victors, more and more intense nationalisms that will simply start the trouble all over again.

We need not be prophets to see these jealous nationalisms already seated around a table carving up helpless countries, some made stronger by victory, some ground to ashes by defeat, the only guiding law in the whole heartless process being the plans and ambitious schemes of those whom might has made the dictators. We can almost hear their exultant language: "We are now supreme at last, with no one strong enough to stop us further. Why should we now bow before any man, or even God?"

Thus do they speak even now, before they are victorious. They will certainly not be any more humble or considerate later on.

And if we were to penetrate beneath the surface of such language, it seems quite evident that it is a part of their scheme to undermine ahead of time, any force in the world that might snatch from them the fruits of their might, the spoils of war. Therefore is the Pope's prestige outlawed in the councils of the nations. Therefore is the law of God equally a stranger to their deliberations!

There is only mind and one voice in the world which is assured of divine guidance. And he is not recognized by the majority of men. There is only one heart far removed from nationalistic ambitions, one great impartial Father to whom all nations are merely children who should be seeking the Word of God from his lips, although they are far from doing so. To him, no nation's aspirations can outweigh a single act of injustice to a single individual. He alone knows more about what is really right and what is really wrong in God's eyes and by God's laws, than all the other representatives of the nations who will sit at the peace table, all put together. But will be he allowed to sit there? He wasn't in 1918.

And if excluded, would it be because he would have no plan to offer? Not at all. It would be more likely because his plan is too clear, too simple, too just to suit the angry bargainers who want no divine law to cross the future laws they have in mind to enact. It would be because in his Christmas broadcast of 1941 he said: "The destruction brought out by this present war is on so vast a scale that there must not be added to it the further ruin of a frustrated and illusory peace."

And then he points out the real heart of the whole problem, the essence of its solution, but a medicine which will not be popular at the peace table and which therefore excludes the doctor who would prescribe it:

"The peace is an atmosphere, a state of mind among all peoples in which the very seeds of conflict are dispersed and killed and in which in their place grows a mutual spirit of active cooperation for the common good.

"This longed-for atmosphere of lasting peace, (the Holy Father says) will not be created by peace treaties, nor by solemn pacts, nor international conventions, conferences, nor charters, nor even by the noble and sincere efforts of statesmen unless beforehand the sacred rights of the natural and divine laws are recognized and obeyed.

"This is the true strength upon which the life of all nations depends. This is the most assured of all values. As long as it stays steady, the others cannot waver, for they would then be guaranteed by the most unshakeable authority, the unchanging and eternal law of God."

I ask you whether the delegates who will sit at the peace table will be able to understand such language. And if they could, would they listen to it or heed it?

His Holiness knows the answer to that question as well as you or I. He knows that numerically Catholics are in a minority in most of the nations and governments of the world today, and so as a separate unit, able to accomplish little. And what does he say about it? He appeals therefore directly and openly for cooperation with and from "all men who believe in God. . . collaboration, interassociation with men of other creeds, provided they are animated, however vaguely, by Christian ideals of justice."

And this is the second step of the Pope's peace plan: Cooperation with others, not of the faith, to increase the influence of Christian teaching upon those momentarily in power.

How is this accomplished? In many ways: (a) Perhaps the most effective of which is by diplomatic relations of the Holy See itself with various governments, in fact, with all who seek this advantage, even with Germany and Japan. Thus are these nations

and governments made conscious of the Pope's standards and principles, which otherwise they might never have guessed.

(b) By public statements, interviews, protests made from time to time by cardinals, archbishops, whole hierarchies of one country or another. All these means help to formulate the policies of these governments and these countries.

(c) And in a smaller way, but in democracies like ours, a very effective way, through instructions by pastors to their flocks at Sunday masses, or in sodalities or in study clubs or other channels of teaching, such as this radio programme for instance.

After all the theory of democratic government is that the people's will, as felt by their legislative representatives, is the ultimate sources of law. If that theory is to work out in harmony with the higher divine law, the people will need and will appreciate clear enlightenment and authoritative guidance, in such complicated matters as these, lest the popular will be confused and divided by false or futile emphases.

The Providence of God itself is a thing which sometimes does not wait for such slow means of progress. It may easily provide other means by which this heaven may spread more rapidly, more completely, even startlingly. The very miseries of war which God permits, may so disgust the world with the games of greed and schemes of shameless usurpation of sacred individual rights by states, that through sheer exhaustion and weariness and degradation of spirit, whole peoples may rise up in their might, and in the light of Christian Truth, as expounded by the Holy Father, wend their way back to God and His laws, in spite of their dictators and oppressors.

No matter how the world may seem to get out of hand, it can never get out of God's hands. He still remains its Creator, its Governor, and its Judge. Great public catastrophies have led whole peoples back to Him, just as proud prosperity leads them away from Him.

These are thoughts that should lead us never to despair. Nor to be idle on the sidelines. We can aid the situation by prayer, prayer that the benign influence of the Holy Father's teachings may permeate the minds and hearts of men in positions of power and not of our faith. We Catholics can aid by explaining to others the fundamental principles of the Church's plan for peace. We know them almost instinctively, almost without study. We know the teachings from childhood by which she would make us holy. She simply wants all men to accept them and live by them. Thus and only thus can true peace come and remain.

My Voting Record on Farm Legislation in the Eightieth Congress

EXTENSION OF REMARKS OF

HON. MARION T. BENNETT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of
Thursday, June 17), 1948

Mr. BENNETT of Missouri. Mr. Speaker, I have had the Library of Congress prepare for me a summary showing how I voted on all legislation passed by the House of Representatives and in any way relating to agriculture, in the Eightieth Congress. This record speaks for itself. It shows that I have consistently supported those bills which help the farmer.

On many measures in Congress there is no roll call record vote. But, in this summary I am listing how I voted on every measure, whether there was a record vote on it or not. I am proud of my support of legislation designed to be of aid to agriculture and feel that my constituents are entitled to have that record. I do not expect everyone in my District to agree with every vote I cast. That would be to expect the unreasonable. Honest and informed people can differ. However, I cast my votes after careful consideration of all the evidence presented to the committees, which is to say, I voted with full information which is not generally available to others than Members of Congress charged with this responsibility. As the following summary will show, there were a great many important votes on agriculture in the Eightieth Congress, just as there were in prior Congresses of which I have been a Member. If anyone can raise any objection to any of my votes it must be to an insignificant minority of those votes as compared to the large total of 59 cast in the Eightieth Congress.

This record is as nearly complete as it can be made at this date. If any measures are passed pertaining to agriculture in the next and final day of the session, they will be by unanimous consent and not of a controversial nature and for that reason not listed here.

Now, as Al Smith used to say, "Let's look at the record":

Public Law 2; approved Feb. 1, 1947: Extending time during which Federal alcohol plants could manufacture sugar to relieve shortage and provide a market for surplus potatoes and soft and wet grain. BENNETT voted "Yes."

Public Law 30; approved March 31, 1947: To extend the powers of authorities to ration distribution of sugar and fix prices. BENNETT voted "No."

Public Law 40; approved April 28, 1947: An Act to permit importation of Mexican farm labor. BENNETT voted "No."

Public Law 104; approved June 25, 1947: The Federal Insecticide, Fungicide and Rodenticide Act, to protect the public, and especially farmers, against misbranded or adulterated economic poisons of great value to agriculture but which were unknown and not covered by the Insecticide Act of 1910. BENNETT voted "Yes."

Public Law 131; approved June 30, 1947: An act to extend until July 1, 1949, the period during which income from agricultural labor and nursing services may be disregarded by the States in making old-age assistance payments without prejudicing their rights to grants-in-aid under the Social Security Act. This law is to encourage recipients of such assistance to engage in these occupations, in which there is a labor shortage, and to do so without loss of assistance, the State governments being given the option to disregard such income in the granting of eligibility. BENNETT voted "Yes."

Public Law 145; approved June 30, 1947: Extending the Second War Powers Act for 15 days. BENNETT voted "Yes."

Public Law 188; approved July 15, 1947: To extend until February 29, 1948, certain powers of the President under the Second War Powers Act and Export Control Act, retaining certain war controls upon American farm products. BENNETT voted "No."

Public Law 249; approved July 26, 1947: To extend provisions of the Bankhead-Jones Farm Tenant Act and the Soil Conservation and Domestic Allotment Act to the Virgin Islands. BENNETT voted "Yes."

Public Law 266; approved July 30, 1947: An act making appropriations for the Department of Agriculture for the 1948 fiscal year.

On agreement to waive all points of order, May 27, 1947. BENNETT voted "Yes."

On motion to recommit bill to committee with instructions to increase funds for AAA, school lunch, and REA, above committee estimates and justifications, May 28, 1947. BENNETT voted "No."

On final passage of bill, May 28, 1947. BENNETT voted "Yes."

NOTE.—Total vote was: Yes 315, No 38; indicating general agreement between majority and minority.

On conference report motion to recommit and raise REA funds from \$225,000,000 to \$250,000,000, July 18, 1947. BENNETT voted "No."

On motion to recede and concur in Senate amendment which raised the appropriation for soil conservation payments from \$165,614,290 to \$295,635,044, July 18, 1947. BENNETT voted "Yes."

On motion to concur in above Senate amendment with an amendment to strike out authorization for 1948 program and appropriate \$228,000,000 for 1947 commitments, July 18, 1947. BENNETT voted "Yes."

On motion to recede and concur in Senate amendment increasing school lunch fund from \$45,000,000 to \$75,000,000, July 18, 1947. BENNETT voted "No."

On motion to recede and concur in Senate amendment which made an appropriation of \$20,000,000 for farm-tenant loans, July 18, 1947. BENNETT voted "Yes."

NOTE.—Speech by Congressman MARION T. BENNETT, July 25, 1947, page A4083, CONGRESSIONAL RECORD, "The Facts About Action of Congress on Agricultural Appropriations." This speech debunks the propaganda of pressure groups and the Administration that the Department of Agriculture funds were reduced to such a degree as to harm any farm program. Over-all reduction was 19 percent, which was proportionately less than any other departmental reduction. President accepted and signed the bill and majority of Democrats voted for it, as well as Republicans.

Public Law 290; approved July 31, 1947: To amend the Plant Quarantine Act to protect American nursery stock against disease-infested stock and plant pests from abroad. BENNETT voted "Yes."

Public Law 297; approved July 31, 1947: An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges. BENNETT voted "Yes."

Public Law 298; approved July 31, 1947: To authorize the Secretary of Agriculture to dispose of farm labor supply centers, camps, facilities and equipment used in connection with the farm labor supply program at such prices, and under such terms and conditions and in such manner as to insure, as far as possible, their continued use in the housing of migratory labor engaged in agricultural work. BENNETT voted "Yes."

Public Law 305; approved August 1, 1947: To amend the Agricultural Adjustment Act relating to marketing agreements and orders, authorizing the Secretary of Agriculture to establish and maintain such minimum standards of quality and such grading and inspection requirements for agricultural commodities, other than milk and its products, in interstate commerce, as will effectuate orderly marketing of such commodities in the public interest. BENNETT voted "Yes."

Public Law 320; approved August 1, 1947: An act to promote the national welfare by improving the economic stability of agriculture through a sound system of crop in-

surance and providing the means for the research and experience helpful in devising and establishing such insurance. BENNETT voted "Yes."

Public Law 323; approved August 1, 1947: To amend the peanut marketing quota provisions of the Agricultural Adjustment Act of 1938. BENNETT voted "Yes."

Public Law 360; approved August 5, 1947: To assist the Commodity Credit Corporation to dispose of surplus wool, protecting the price and the American market. BENNETT voted "Yes."

Public Law 388; approved August 8, 1947: An act to protect consumers of sugar and of those engaged in the domestic sugar-producing industry, to promote trade, and for other purposes. BENNETT voted "Yes."

Public Law 389; approved Dec. 17, 1947: European Interim Aid Act, providing, among other things, that the President be authorized to purchase for gift to Europe, foodstuffs from other countries at a higher price than paid for the same products in the United States. BENNETT voted "No."

Public Law 395; approved December 30, 1947: Authorizing Government and industry to enter into certain voluntary arrangements for price stabilization. BENNETT absent. Paired for rule on bill. General pair on passage.

Public Law 427; approved February 28, 1948: Second Decontrol Act of 1947. BENNETT voted "Yes."

Public Law 430; approved March 3, 1948: Urgent Deficiency Appropriation, 1948. Vote on motion to recommit with instructions to add a new section furnishing \$300,000,000 for REA. BENNETT voted "Yes."

Public Law 472; approved April 3, 1948: Foreign Assistance Act of 1948, to provide former allies, neutrals, and enemies with \$17,000,000,000 worth of gifts, including farm machinery, fertilizer, automobiles and trucks, and other materials, such as steel, oil, foodstuffs, etc., in short supply at home. Sponsors of bill admitted it would increase cost of living and lower standard of living at home but was necessary supplement to \$20,000,000,000 in gifts to foreigners since VJ-day, and to buy friends to resist Russia. BENNETT voted "Yes" on question of considering and debating bill. BENNETT voted "No" on passage of bill.

NOTE.—Fifty-two thousand questionnaires distributed to all rural, star, and post-office boxholders and telephone subscribers in Sixth District on this question brought replies to Congressman MARION T. BENNETT as follows: For Truman-Marshall plan, 15 percent. Against plan, 76.9 percent. No opinion on plan, 8.1 percent.

Public Law 495; approved April 21, 1948: To amend the Bankruptcy Act of 1898, extending benefits of its provisions to farmers. BENNETT voted "Yes."

Public Law 519; approved May 10, 1948: First deficiency appropriation, 1948. Vote on motion to recommit with instructions to report back with an amendment to raise the appropriation for REA from three hundred million to four hundred million dollars. BENNETT voted "Yes." (Motion defeated 199-154.) On final passage BENNETT voted "Yes."

The following bill was vetoed:

S. 814: Vetoed by President June 26, 1947. A bill to support wool prices and protect American producers against unfair foreign competition. This bill was supported by all farm organizations and wool growers. Bill passed House May 23, 1947. BENNETT voted "Yes."

The following bill failed of passage in House:

House Joint Resolution 273 (S. J. Res. 167). Failed to pass House December 15, 1947: To stabilize by voluntary agreements entered into under sponsorship of Government, the prices of livestock, poultry, etc., to aid in stabilization of the national economy, to

regulate speculative trading on commodity exchanges which would injure farm prices, and to allocate transportation equipment for movement of grain. BENNETT voted "Yes."

The following bills passed the House but had not yet become public laws as of June 18, 1948: There was little doubt but that they would become law. Most of them were on the President's desk, awaiting his signature when Congress adopted a motion to adjourn June 19.

H. R. 3370. Passed House July 21, 1947: A bill to direct the Secretary of Agriculture to support the price of milk at not less than 90 percent of parity. BENNETT voted "Yes."

H. R. 4856. Passed House February 3, 1948: To require liquidation of mineral interests reserved to the United States to be delayed until such time as Congress may establish a policy on the subject. Bill seeks to halt sale of such rights as surplus property, to highest bidder. This measure would protect farmers in Bates County, Mo., from having Government sell its mineral rights, reserved on their land, to someone from whom they might not be able to buy them. BENNETT voted "Yes."

H. R. 5883. Passed House March 18, 1948: Department of Agriculture Appropriation for 1949 fiscal year. Bill provided \$400,000,000 for REA which was \$100,000,000 more than President requested. It provided also \$1,048,000 for soil conservation research and \$44,000,000 for the Soil Conservation Service. This was \$6,000,000 above the Administration budget request of \$38,000,000. The PMA or AAA program was given \$225,000,000. Congressman BENNETT got a \$30,000 item put in the bill to establish a Forest Research Center in Missouri. Funds for certain work of the Extension Service were increased \$2,000,000 above Administration requests. Sixty-five million dollars were provided for the school-lunch program, adequate funds for crop insurance, research, etc. Total appropriation for the year was \$1,010,000,000. BENNETT voted Yes. Note: Democratic Congressmen were so well pleased with this bill that they did not contest it, letting it pass without requesting a roll call vote.

Conference report on H. R. 5883:

On motion to disagree to Senate amendments increasing agriculture appropriations and to send bill to conference June 4, 1948 (H. Res. 624). BENNETT voted "No."

On question insisting upon House position appropriating \$262,500,000 for AAA payments and disagreeing to Senate amendment appropriating \$300,000,000 for same purpose. BENNETT voted "No."

On passage of conference report June 14, 1948, BENNETT voted "Yes."

NOTE.—Bill as finally approved in conference report, June 14, 1948, contained the record-breaking total appropriation of \$1,123,000,000 for the 1949 fiscal year. Among other things the conference report increased Extension Service funds \$3,000,000 above the President's request; increased the Soil Conservation Service funds to a total of \$45,048,000, which was over \$7,000,000 above the President's request; increased REA funds to a total of \$400,540,000, which is over \$100,500,000 above the President's request; and included \$75,000,000 for free hot school lunches and \$262,500,000 for AAA subsidy payments.

Again, as on passage of original House bill on March 18, 1948, the conference report (compromise bill agreed on by Senate) with increases specified, passed unanimously, with the Democratic minority so well satisfied that they did not even contest it by asking for a roll call record vote.

H. R. 2245. Passed House April 28, 1948: A bill to repeal taxes on oleomargarine.

On vote to take this measure away from Agriculture Committee which had refused to report it. BENNETT voted "No."

On final passage. BENNETT paired against it.

NOTE. Congressman spoke on House Floor against the measure and outlined in detail the damage it would do to the dairy industry, especially in the Sixth Missouri District, which is the largest dairy district in the State. Speech is on pages 4984-4986 of CONGRESSIONAL RECORD, April 26, 1948.

H. R. 6114. Passed House May 18, 1948: A bill to encourage extension of loans to qualified veterans, tenants, share croppers and farm laborers, for the purpose of acquiring, enlarging and improving family size farm units.

BENNETT voted "Yes."

H. R. 6556. Passed House May 18, 1948: A bill to encourage extension of loans to qualified veterans, tenants, share croppers and farm laborers, for the purpose of acquiring, enlarging and improving family size farm units.

BENNETT voted "Yes."

H. R. 6556. Passed House May 26, 1948: Extension of Reciprocal Trade Act, reserving to Congress its constitutional authority over tariffs which had previously been surrendered to State Department bureaucrats, and requiring President to seek advice of the Tariff Commission on whether or not tariff cuts will injure American industry and agriculture.

BENNETT voted "Yes."

H. R. 5048. Passed House June 8, 1948: A bill by Congressman BENNETT directing Secretary of Agriculture to convey on behalf of the United States, without consideration, all the mineral rights heretofore reserved by the Missouri Defense Relocation Association, Inc., to the respective persons who at the time of enactment of this act are the owners of the lands in and under which such mineral rights exist, in Bates County. BENNETT voted "Yes."

S. 1249. Passed House June 8, 1948: A bill authorizing additional research and investigation into problems and methods relating to the eradication of cattle grubs, and for other purposes. BENNETT voted "Yes."

House Resolution 452. Passed House June 8, 1948: A resolution to request the Secretary of Agriculture to take action to prevent damage to valuable crops as a result of the use of the weed killer known as 2,4-D. BENNETT voted "Yes."

H. R. 5263. Passed House June 8, 1948: A bill to permit the Secretary of Agriculture to execute and deliver to present owners of certain real property quitclaim deeds to the minerals in or under such property. BENNETT voted "Yes."

H. R. 5154. Passed House June 8, 1948: A bill to extend the period within which the Secretary of Agriculture may carry out the purposes of the Soil Conservation and Domestic Allotment Act by making payments to agricultural producers. BENNETT voted "Yes."

S. 1090. Passed House June 8, 1948: An act to safeguard and consolidate certain areas of exceptional public value within the Superior National Forest, State of Minnesota, and for other purposes. BENNETT voted "Yes."

S. 2137. Passed House June 8, 1948: An act to provide for the protection of potato and tomato production from the golden nematode, and for other purposes. BENNETT voted "Yes."

H. R. 6248. Passed House, June 12, 1948: The farm-price support bill to place supports of at least 90 percent of parity on hogs, poultry, eggs, wheat, corn, cotton, peanuts, rice and tobacco, and supporting nonbasic commodities on a sliding scale ranging down to 60 percent of parity for the next 2 years. In reporting this bill, the committee said the idea of approving a long-range farm program at this time was abandoned because an abnormal world demand for farm products exists now, and any program worked out under such conditions could not be expected to op-

erate in normal times and at the present, too. The committee is continuing its hearings and studies and states it will report such a program at the proper time. In the meantime, this bill gives farmers assurance of continued price support so they can, with confidence, plan for the future. BENNETT voted "Yes."

H. R. 2028. Passed House June 16, 1948: A bill to facilitate and simplify the work of the Forest Service, and for other purposes. BENNETT voted "Yes."

H. R. 5861. Passed House June 16, 1948: A bill to direct the Secretary of Agriculture to convey certain land to the State of Oklahoma. BENNETT voted "Yes."

S. 1087. Passed House June 16, 1948: An act to amend section 502 (a) of the Department of Agriculture Organic Act of 1944. BENNETT voted "Yes."

H. R. 6935. Passed House June 16, 1948: A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1948, and for other purposes. This bill provides \$33,300,000 for the Department of Agriculture, including appropriations for the agriculture remount service, forest roads and trails, and eradication of contagious diseases of animals. BENNETT voted "Yes."

On motion to recommit bill with instructions to report it back with the following amendment: Add "Rural Electrification Administration. Salaries and expenses. For an additional amount for the fiscal year 1949 for administrative expenses, \$450,000." (Motion was rejected.) BENNETT voted "Yes."

H. R. 6263. Passed House June 18, 1948: A bill to provide a Federal charter for the Commodity Credit Corporation for the purpose of stabilizing, supporting and protecting farm income and prices; of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers; and of facilitating the orderly distribution of agricultural commodities. BENNETT voted "Yes."

Management and Labor Join To Show the Way

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of
Thursday, June 17), 1948

Mr. FORAND. Mr. Speaker, under leave to extend my remarks, I enclose an article which appeared in the New York Times of March 17, 1948, showing the advancements made by the Amalgamated Clothing Workers of America and employers in the men's clothing industry, relative to liberalization of the benefits provided under that industry's welfare program. The article follows:

The Amalgamated Clothing Workers, CIO, and employers in the men's clothing industry reached peaceful agreement yesterday on liberalization of the benefits provided under the industry's welfare program.

Trustees representing the union and the Clothing Manufacturers Association of the United States agreed to start surgical benefits up to \$150 for workers requiring operations. Sick and accident benefits for men were increased from \$12 to \$15 a week and for women from \$8 to \$10 a week. These benefits continue for a maximum of 13 weeks in any single year.

Time and the Japanese Air Force declined to honor this prediction during the fateful month of December 1941 at Pearl Harbor and off the coast of Malaya. Today, the battleship has been relegated to a back seat and the carrier is called the spearhead of naval power. The old term "sea-power" has now become "air-sea power" as the Navy enters the realm of air power. There being no opposing fleets to threaten us, the field of strategic air warfare becomes of primary interest. But carriers, like battleships, can be sunk. As one of our most experienced generals stated before the Senate Military Affairs Committee in 1945, "The carrier has two attributes—one attribute is that it can move about, and the other attribute is that it can be sunk."

The Finletter Commission, in recognition of the danger of individual Services advancing their own interests, made the following statement:

We view with great anxiety the pressures from many sides directed toward the maintenance of yesterday's establishment to fight tomorrow's war; of unwillingness to discard the old and take on the new; of a determination to advance the interest of a segment at the sacrifice of the body as a whole. All this is understandable, for it comes in large part from loyalty of each Service to its traditions. But we can no longer afford the waste it involves. Hope rests only with the ability of the Secretary of Defense under the President to discharge effectively the authority vested in him, with one objective in mind—the maximum in security for the minimum in cost. It is imperative that this be done; for unless it is, we will not have a military establishment capable of defending the country.

In closing, Mr. Speaker, may I quote the final paragraph of an article from a recent issue of the *Christian Science Monitor* by Roscoe Drummond. In my opinion, this paragraph accurately states our present situation:

It is not the purpose of this column to assume lightly to judge whether the Navy or the Air Force should be built into the prime offensive force of the Nation's defense. But what needs to be seen is that if the United States doesn't look out, instead of making the mistake of trying to have two adequate air forces, it will end up by so dividing its funds and production that it won't have one adequate air force.

Secretary Marshall Is Not the Government

EXTENSION OF REMARKS

OF

HON. KATHARINE ST. GEORGE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mrs. ST. GEORGE. Mr. Speaker, under unanimous consent to extend my remarks I include in the Appendix of the Record an article by Mr. Felix Morley appearing in *Human Events*.

This article proves again how far we have gone toward the totalitarian concept of government in our State Department.

SECRETARY MARSHALL IS NOT THE GOVERNMENT

(By Felix Morley)

On June 9, Secretary of State Marshall announced that the Government of the United States "approves and accepts" the recommendations of the London Conference for the disposition of western Germany. His announcement was made almost casually, at a routine State Department "news conference."

It is not unlikely that these recommendations will prove to be the nearest thing to a peace treaty with Germany that will ever be written. They commit the American people to undertakings of indefinite duration and far-reaching importance. Under the London Agreement, announced on June 7, the United States becomes morally obligated to apply "necessary enforcement measures" in Germany on the majority decision of a new International Authority where American representatives will have 3 out of 15 votes.

Very few Americans have any idea of what this new arrangement is, or how it came to be made. While the text of the undertaking is available, it has received only summary attention in most of our newspapers. Editorial comment, judging by samples at hand, has been both superficial and misleading. For this the press is scarcely to blame. Currently there is a stern competition of news items for available space. And the Department of State has made no attempt to emphasize the significance of the undertaking which Secretary Marshall has personally "accepted" in the name of the American Government.

There are two major reasons why the Department of State is tacitly underplaying the news in this extremely important development, in spite of the huge propaganda machine which this department has built to influence public opinion at home, and to carry what is euphemistically called "the Voice of America" to far corners of the earth.

In the case of the pending agreement for Germany the Department of State is publicly shy because—not for the first time—the Administration is completely bypassing the United Nations in a manner scarcely consistent with the obligations of membership. The second, and more important, reason for aversion to publicity in this matter is that the Department of State is also playing fast and loose with the Constitution of the United States.

II

At his news conference on June 9, Secretary Marshall was asked whether he had considered the constitutional implications of his decision to accept the London Agreement, in the name of the "Government" of the United States. The Secretary replied that he had not consulted any lawyers in the matter. It is to be assumed that he has President Truman's approval, but that is not enough.

Certainly it might have been embarrassing to take legal opinion, since the political objective is to put this agreement into effect as quickly as possible, and since there is a very strong case for the argument that this agreement is a treaty between the United States and other sovereignties. If so, it must have congressional approval under that part of Article II, Section 2 of the Constitution, which says:

"He (the President) shall have power by and with the advice and consent of the Senate to make treaties, provided two-thirds of the Senators present concur."

The London Agreement of June 9 covers a lot of ground, with the purpose of establishing in western Germany an independent federal republic to which the areas under Russian occupation might eventually adhere. But from the viewpoint of international law the most significant part of the arrangement is the proposal to establish an "International Authority for the Ruhr," the great coal, coke,

and steel producing area which for a century has given Germany most of its economic strength.

As released by the Department of State, the recommendation for this new International Authority is textually as long as the general "communiqué" to which it is attached. The "annex" concerning the Ruhr is the tail which wags the dog. It contains 12 sections, of which Nos. 2 and 3 indicate the magnitude of the step which Secretary Marshall has now "approved," in the name of the United States.

"2. The International Authority shall be composed of representatives of the United States, United Kingdom, France, Netherlands, Belgium, Luxembourg, and Germany.

"3. The International Authority shall take its decisions by majority vote. The United States, United Kingdom, France, and Germany shall have three votes each, and the Netherlands, Belgium, and Luxembourg one vote each."

Admittedly there is room for debate as to what is and is not a treaty. But if the above arrangement among the United States and five other sovereign powers is a mere executive agreement, then it must be said that there is no longer any such thing as a treaty and Article II, Section 2 of the Constitution has become a dead letter.

There is much evidence for the belief that elimination of the treaty-making power of the Senate is one objective of State Department policy in this matter. Many appointed officials of that Department have long been restive under the restraints on personal government imposed by the provision for obtaining senatorial "advice and consent".

III

It is interesting to note the different procedures followed in Great Britain, France, and the United States in the effort to establish the London Agreement as a matter of national policy.

In Great Britain, the Foreign Minister, Mr. Ernest Bevin, kept the Prime Minister and Cabinet fully informed during the 6 weeks of diplomatic negotiations. When agreement was reached, by the normal procedure of discussion and concession, it received Cabinet approval. Then the agreement was submitted to Parliament for inquiry and examination. Full opportunity was given the elected representatives of the people to accept, to modify or to reject the program to which the executive had given approval.

The same democratic procedure operates in France. There, in addition to Cabinet sanction, the Committee on Foreign Affairs of the Chamber of Deputies had to be consulted before submission of the agreement to the popular Assembly. Foreign Minister Bidault observed on the floor of the Chamber, on June 11, that "the agreement is not definite until it has been approved by Parliament".

The American system of government is unquestionably less democratic than that of either Great Britain or France. The Constitution of the United States does not provide that international agreements made by the executive arm be submitted to the House of Representatives for approval. But for that very reason the provision for securing the "advice and consent" of the Senate is the more important.

So it appears that Secretary Marshall was grossly exceeding the constitutional prerogative of his office in accepting the London Agreement on Western Germany in the name of the Government of the United States. Without the consent of the Senate, as was promptly pointed out by Senator Taft and others, the Secretary of State has no authority to bind the country in this manner. This appointed official may and should recommend approval of a treaty in the President's name. But the President cannot himself adopt a treaty, and no treaty agreement adopted in this unconstitutional man-

ner is binding on the American people. That should be clearly understood in Europe.

This argument, of course, has nothing whatever to do with the merit or demerit of the particular proposal. Much could be said for, and much against, the actual provisions of the pending London Agreement. But the primary issue is a matter of constitutional government. To deny this is simply to deny authority to our republican institutions.

IV

There is an underlying moral in all this. The moral is not new—it has merely been forgotten by the men who have run the United States for the last 15 years. They have come to believe that the end justifies the means. And in this case the end is merely to escape somehow from the ghastly tangle in which the doctrine of personal government has involved the United States.

It is now almost 3 years since President Truman went to Potsdam and made an unbelievably stupid agreement for the disposition of postwar Germany. Under the wartime powers of the President, and as a result of the "Unconditional Surrender" policy, Mr. Truman had the power to turn half of Germany over to Russia. But the possession of power did not make that action wise.

In addition to this inept division of Germany the President of the United States authorized a fantastic policy of vengeance, industrial dismantling and general ruination for that part of Germany which was not handed over to Stalin. Three years of this policy has done more than destroy what was left of Germany. It has also ruined all Western Europe, which must now be subsidized indefinitely by Americans.

The outlook is so bad, and the results of the Roosevelt-Truman policy of personal rule so disastrous, that the Administration belatedly realizes it must completely change the direction of its German policy—with a minimum of delay. To do this it must simultaneously placate the French, whose narrow and intransigent nationalism is not adverse to the utter destruction of Germany, so long as they can count on the American taxpayer to stand the cost involved.

Because it has become hopelessly entangled in the alien politics of Europe the Truman administration seems to feel that it must now scuttle the Constitution of the United States, as the only quick way of escape from the mess of its own making. To reveal the sordid picture as it is, in an election year, would be politically disastrous.

Secretary Marshall is not the culprit. He is merely attempting to hold together a policy for which he is not responsible. Many a good soldier has gone down courageously in an unsavory cause.

Farmers and Their Spokesmen Endorse Congressman Marion T. Bennett's Record

EXTENSION OF REMARKS

OF

HON. MARION T. BENNETT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. BENNETT of Missouri. Mr. Speaker, one of the most heartening and pleasant experiences I have had as a result of my 6 years in Congress is the warm appreciation expressed for my work on behalf of agriculture by the farmers themselves, and their recognized spokesmen.

This is especially encouraging to me because I have the honor to represent a congressional district which is important in an agricultural way. I like to think that the farmers of my District realize I understand their problems because I have come from a long line of Missouri farmers and have knowledge of their case as it relates to legislation. I am not a farmer. My training has been in the law and government service, which is the best preparation for a congressional career. But, a Congressman's previous occupation is not too important. What is important is his education and his determination to be fair, and courageous, and whether he is youthful and vigorous enough to do the hard work. Missouri's late Champ Clark (Democrat), Speaker of the United States House of Representatives, put it this way:

A man has to learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer, or a doctor. It is an unwise performance for any district to change Representatives at short intervals. A new Congressman must begin at the foot of the class and spell up. The best rule, it seems to me, is for a district to select a young man with capacity, industrious, honest, energetic, sober and courageous, and keep him here so long as he discharges his duties faithfully and well. Such a man will gradually rise to high position and influence in the House. His wide acquaintance with Members helps him amazingly in doing things for his constituents.

The farmers of my district, in every county, have given me increasing majorities at each election. They wouldn't want a Congressman who had a one-track mind or experience or education in only one field. They realize that the complex questions now before Congress require a broad education, experience and understanding of many things. The business, labor, and other interests of my district are also important. The 6th Missouri Congressional District was on one occasion, called by the St. Louis Post-Dispatch, as "The most typically representative District in Missouri." Yes, our interests are diversified. Even our farming is diversified. It is no easy task to learn how to represent all these interests in such a way as to promote the prosperity of all without hurting some. But, that's what I have tried to be, a Representative for all the people, not just the farmers, not just the businessmen, union men, professional people, or housewives, but all the people. The purpose of this statement is to summarize how the farmers feel I have served them. They are entitled to such a report on my record.

On June 11, 1948, I received the following letter from the chairman of the Committee on Agriculture of the United States House of Representatives, Hon. CLIFFORD R. HOPE, of Kansas:

DEAR MARION: I want to express to you my appreciation for your cooperation with the Committee on Agriculture throughout your service in Congress. This has been most helpful in promoting the prosperity of our farmers and gaining for them legislation of sound and lasting benefit. The Agriculture Committee has recognized the merit of legislation you have sponsored to help the farmers and has favorably reported it. You have demonstrated to the commit-

tee and to Congress your keen understanding of the farm problem and your willingness to cooperate with farmers and their spokesmen to help solve it. Every farmer in your district, I am sure, knows this, to judge from past election returns, but you can quote me as saying that I am sure no Congressman from Missouri has, can, or will do more than you, for the farmer.

It has been a source of great satisfaction to me as chairman of the Committee on Agriculture to know that in the consideration of any legislation involving the farmers of this country, you could always be found on the farmers' side. Further, the suggestions which you have made to me concerning the long range program and other important legislation have been most helpful.

It looks now as if the 81st Congress would have before it many matters affecting agriculture, and I am certainly counting on your aid and assistance in working out those problems in such a way as to be of the greatest benefit to those who live and work on our farms.

With kindest personal regards, I am,

Cordially yours,

CLIFFORD R. HOPE,

Shortly before his death recently I re-

ceived an unsolicited letter from E. A. Trowbridge, dean and director of the College of Agriculture at Missouri University, Columbia, Mo. He says:

We appreciate your interest in agriculture; in fact, with you, we think agriculture, not only in your district but all over the State, is basic to the welfare of the State.

I have always enjoyed the fullest cooperation with the University and the confidence of the County Extension Agents, from whom I have received letters. These county agents are not in politics but hold public positions. For this reason I would not want to embarrass any one of them by quoting their letters. But any farmer can inquire for himself of his county agent whether or not I have cooperated with him at every opportunity.

It has been a pleasure to help farmers of my district with their individual problems as well as to help them in a general way by voting right on farm legislation. Recently I received the following letter from Mr. J. O. McCullough, Route 2, Richards, Mo.:

Received your kind letter today and want to thank you for your kindness in helping to remove one of my long-time worries, the matter of farmers feed loan. This has been hanging over my head with threats of dire things that would happen to me if I could not raise the cash. I feel very thankful for this help and if an old life-long Democratic vote will do you any good when the next election arrives, and I am still able to get to a voting place, please rest assured you will get my vote.

I was a member of the House Committee on Veterans' Legislation which wrote the so-called GI bill of rights, or Servicemen's Readjustment Act of 1944. This, among other things, provided for the on-the-farm training program, which has been of great benefit to thousands of veterans. Typical of letters I have received from these veterans is the following from Clark L. Parscal, Route 2, Schell City, Mo.:

I want to thank you for your help in getting me into the on-the-farm training school. I started October 1st and am grateful for all the trouble you went to.

One of the things I helped accomplish in Congress of great benefit to rural Missouri, was to get an authorization and appropriation to establish a forest research center. Typical of the letters I have received for that effort is one from Hugh Steavenson, Director of the Agricultural Bureau of the St. Louis Chamber of Commerce. He says:

We are especially delighted that, largely through your good efforts, a forest research center for Missouri has been approved with an initial allocation of \$30,000.

Other letters I have received on the matter of helping forestry, include ones from Col. E. M. Stayton, chairman of the State-wide Forestry Committee of the Conservation Federation of Missouri, and from the director of the Missouri Division of Resources and Development.

Forests are one of Missouri's greatest but most neglected natural resources. They occupy some 19 million acres, about 43 percent of the total area of the State. Thousands of people in our State depend on forest products for jobs. Due to this legislation for which I have been given credit, the wealth and prosperity of Missouri and her people will increase, especially in the rural areas. It will be a boon to conservation of our soil and to small business.

I have received numerous letters from officials of the Farm Bureau Federation and from the Missouri Farmers' Association, too many to quote here. Typical of these letters is one from W. T. Crighton, manager of the M. F. A. Producers Creamery Co. at Springfield, Mo. He says:

Through the rush of business, we oftentimes neglect to express our sentiments to you on important Washington matters. But, we have a feeling that you understand our position in most of these matters and in view of our confidence in your good judgment, it may appear that we are somewhat indifferent in giving you the proper support on important issues.

You can be assured that we know your work meets with approval of the farmers, small-business men and a large number of the union members of your district, outside of the radical C. I. O.

Numerous individual farmers, known and unknown to me, often identifying themselves as Democrats, have written me. Here are some typical examples:

"Just a note to let you know I am pleased with your good work. Stay in there and pitch for the farmers."—E. C. Kerr, route 1, box 10, Brookline, Mo.

"We appreciate the good job you are doing for us in Congress, and the integrity with which you carry out your responsibilities."—Sylva J. Hood, Walker, Mo.

"This is to indicate my approval of your opposition to organized pressure groups. I am a farmer and I think a sound financial condition in our Government is most important to all citizens in the long run. Economy is the only way to this end. Farmers of America are more interested in their country than they are in a Government check from the Washington politicians who seek to buy their votes with their own tax money. It is true that some professional farm leaders and politicians oppose economy in government if it applies to them. They are like the professional labor leaders who don't want labor legislation, or the nontaxpayers who don't want tax reduction, or the brass hats who want our Military Establishment operated in peacetime with the same extrava-

gance as in war. I know the pressure that must be on you from all sides. But, rest assured, that while the average farmer does not take the time to write his Congressman that he is willing to do his part to see government expenses reduced, the budget balanced, the debt scaled down and taxes slashed. More power to you."—Conley Harmon, Odessa, Mo.

"May I thank you for the good work you are doing for the farmers. We won't forget it when election time comes again. You certainly were a wise choice on our part."—C. H. Fuller, Route 4, Lamar, Mo.

"While I have never met you personally, I am for you and your work 100 percent. You are the farmer's true friend."—L. H. Dunn, Nevada, Mo.

"I want to thank you for the good things you are doing for the common man and the farmer and for the open-minded judgment in which you conduct yourself as our Congressman. I only wish we could get more men in Congress like you. From a Democrat supporter."—Luther C. Dameron, Holden, Mo.

"Please be advised that I am and always will be one of your farmer friends. I know you are doing a great job up in Washington, against adverse conditions."—Paul Tremayne, Route 1, Brighton, Mo.

"I want to thank you for the great work you are doing as our Representative in Congress. You are the best Congressman we have ever had, so far as the farmers are concerned. And, we farmers all know it."—P. J. Mayer, Montrose, Mo.

Mr. Speaker, I have had a lot of other letters, making favorable and specific reference to my efforts to save the rich agricultural bottom land of our district from the ambitions of the Army engineers to destroy it with lakes, from the packing plant managers and livestock commission men who approve my votes on meat inspection, from those approving the millions of dollars I have obtained, to match State funds, for the building of rural roads, and many other matters. In closing I want to make reference to the letters I have had about REA and dairy farming.

My congressional district is the greatest dairy district in the State. There are 154,000 dairy cows in the Sixth District and within a radius of 75 miles of Springfield there is a daily milk production of three and a half to five million pounds, making this area the greatest milk producing area of comparable size in the United States. The Census Bureau reports that dairying provides the total cash income on 17,936 farms in the eleven counties of my district. In addition, there are 26 milk manufacturing plants in the district, producing butter, cheese, and so forth. The 25,866 farms that sell dairy products in my district, realize an annual cash income of around \$12,000,000. I have fought for the dairy industry against the oleo lobby, with its highly financed pressure campaigns. I spoke on the floor against the oleo tax repeal bill and paired against it on the roll call. I shall not go into all the arguments on this question here. I think I have said enough to indicate that, whether you agree with my position or not, I was representing my district, which is largely based on a farm economy and the dairy industry is perhaps the biggest part of it.

Letters I have received in appreciation for my fight for the farmer on this issue are enough to fill a book. They have come from almost every dairy farmer in

the District and from employees dependent upon the numerous milk manufacturing plants. They have come from not only individual dairy farmers but from the county agents, from H. E. Klinefelter, Editor of the Missouri Farmers' Association newspaper, The Missouri Farmer, and from Warren W. Fuqua, Public Relations Director of the Missouri Farm Bureau Federation.

Finally, now, about the Rural Electrification Program. This program came to a standstill during the war because of manpower and materials shortages. It has moved slowly since the war because materials are still short. But, it is picking up speed. Congress has provided it each year since the war with more money than it has been able either to allocate or spend to extend lines to the farms. For the 1949 fiscal year we have provided it with over \$400,000,000 which is over \$100,000,000 more than the President requested. I have supported the REA program and voted to give it more money than it has been able to spend. This might look like I have gone overboard on the subject but I know how important it is not only to the convenience of a farm family but to its prosperity and thus to the prosperity of my District and country. This is not money down the rat-hole. These are government loans which the locally managed and owned cooperatives pay back. When and where the lines are built is decided by the REA and not by Congress, which simply provides the funds for approved projects. Many constituents have written me about getting lines extended to their farms. I have no authority on such an individual problem but have taken many of these cases up with the REA managers. These managers have not been handicapped by lack of money but by lack of materials. Since I have been in Congress I have voted for appropriations from which about 20,000 farm families have already received REA service and thousands of miles of lines have been built in the Sixth District. These appropriations which I have supported for my District total in excess of \$13,000,000. That is a record to be proud of, and I am proud of it. My constituents know of it and approve it. Here is what a typical one says:

"Your interest in R. E. A. for us is far beyond our expectations but very greatly appreciated."—Mr. and Mrs. Lewis Leaton, Knob Noster, Mo.

Here is what some of the R. E. A. cooperative managers say:

"Allow us to commend you on your recent remarks which I picked up over KWTO, relative to continuance of rural electrification. As manager of one of the Missouri cooperatives, I say your attitude is truly an expression of our people."—L. N. Speight, manager, White River Valley Electric Cooperative, Inc.

"I know of your outright support of the R. E. A. program. Your support is of great benefit to the farmers, and I am sure they will continue to support you wholeheartedly in the future. I am a native of the Springfield area, and have a kind feeling for the progress of your work in Congress. Wishing you the greatest of success."—P. G. Wingo, president, Ozark Boarder Electric Cooperative, Inc.

The following statement was the concluding paragraph in a two-page report on my activities in the House of Representatives, on behalf of R. E. A., as put out in March 1948, by the "REA NEWS-REEL," publication of the West-Central Electric Cooperative, Inc. which serves Johnson County, in my Congressional District. The manager of this cooperative told his patrons and those who are signed up for future service:

Let's give Congressman MARION T. BENNETT our backing to see that such appropriations are increased in accordance with the needs of the program. I believe that it is due to Mr. BENNETT that each and every one of you as member users or applicants awaiting service, write a few lines to him in appreciation for his efforts. I would like to say, personally, that we appreciate Mr. BENNETT's efforts very much.

The Present Situation in Spain

EXTENSION OF REMARKS

OF

HON. ALBERT J. ENGEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. ENGEL of Michigan. Mr. Speaker, under permission to extend my remarks in the RECORD, I include the following declaration of my friend, Dr. Joseph F. Thorning, associate editor, World Affairs:

THE PRESENT SITUATION IN SPAIN THE BACKGROUND

It is impossible to understand the reactions of the Spanish people today if we forget the serious nature of the civil war. Spain had more than a million casualties between July 1936 and April 1939. The figures for religious killed have often been published and number over 7,000, among them 12 bishops. These Spanish figures are impressive when we remember that during the French revolution only 17,000 lost their lives.

Such a catastrophe would leave marked reminders in any country. In a nation where passion is known to be traditionally violent, where the intensity of hatred and the desire for vengeance left by conflict is very strong, only a government with great authority can maintain order. Any move to unleash this passion would be to start a new period of violence and crime in Spain.

The situation of the Spanish Government, therefore, should not be judged as one would a normal government in peaceful circumstances. The conditions within Spain and the difficulties created by European international affairs require a long-range and exceptional measure of authority and a moderate limitation of liberty. It has been stated that in the United States, after a civil war, the political rights of a good part of the population affected by the war were suspended. This temporary suspension of civil liberties is never a denial of fundamental rights nor is it a doctrinary definition in itself, but is only an indispensable medical treatment applied to an ailing body and spirit.

At bottom the movement which brought the present government into power had its origin in the disappearance of law in Spain. A significant act caused the explosion. Spain was subjected to a period of violence. The statistics given in the Cortes by Mr. Calvo Sotelo are well-known and cover churches burned, private homes assaulted, persons as-

sassinated. The list is impressive. But the immediate cause of the civil war was the murder of the leader of the opposition. At 4 o'clock in the morning, a government truck drove up to his home carrying police and members of the respected Civil Guard, to which the peace of the country had been entrusted during both the monarchy and the republic, as it still is today. Accustomed to the violence of the time, and reassured by the sight of the Civil Guards, Mr. Calvo Sotelo did not resist them, for he believed he was to be arrested. During the trip through the streets of Madrid a police officer fired a shot point-blank into the back of Calvo Sotelo's head. Shortly afterwards, his body was left at the gate of a cemetery.

The crime showed that the country had ceased to be governed by law. If the most outstanding man among the parliamentary opponents of the government was killed in such a manner, could less important citizens rely on the government to respect their lives and personal rights? This thought and its natural effects and the majority of Spaniards realized they must resort to force as law had officially ceased to exist. It was at this moment that a good part of the army—not only one general as it had been said—rose against the government and was supported and encouraged by numerous members of Parliament and large masses of the citizens.

Notwithstanding these difficulties, Spain is in the midst of an evolutionary political process, which would have been more rapid if the unfortunate pressure of certain countries and some foreign political groups had not made even a semblance of compliance impossible to the great majority of Spaniards, who remain loyal to national honor and independence. The Spanish State has a bill of rights which underscores, as its guiding principle, the respect of the dignity, integrity, and liberty of the human person, and recognizes man as bearer of spiritual values and as member of the national community. The Spanish State is a Catholic state, but no one is molested because of their religious beliefs or in the private exercise of their cult. These facts are defined in the same terms and subject to the same conditions as under the monarchy before 1931. All Spaniards have a right to participate in public office of a representative character, through the family, the municipality and the syndicate (without barring other representation that the laws may establish). All Spaniards may hold office and public functions according to their merits and capacity and may freely express their ideas so long as they do not advocate the overthrow of the fundamental principles of government, and the inviolability of correspondence is also guaranteed. No Spaniard may be arrested except in the cases and in the form prescribed by law. Nobody may be condemned except under a law prior to the act, under sentence by a competent tribunal.

The Spanish charter includes social rights and declares that all workers will be protected by the state in their right to a just and sufficient return. The Spanish state recognizes and protects private property and declares that in no case will a sentence of confiscation of property be passed.

Social insurance for old age, death, sickness, maternity, accidents, family subsidies, are established by law. The antituberculosis program, infantile paralysis—prevention and cures—and unemployment relief are also covered by these laws.

The fundamental legal structure was submitted to a national referendum on July 6, 1947, in which all Spaniards were free to vote. Out of a census of 17,000,000 electors, 3,000,000 voted "no" or abstained; 14,000,000 votes were favorable. Impartial and competent foreign observers stated that balloting had been both secret and free.

Foreign newspaper correspondents are subjected to no censorship measures since 1944.

A curious point, little known in the United States, is the fact that approximately 90 per cent of the news published in Spanish newspapers on international affairs comes from a United States news agency.

It is useless to insist on the fact that Spain was neutral during the war. Ambassador Carlton Hayes' book on his mission in Madrid during 1942-45 gives a clear and complete picture of this theme, and he shows how in certain aspects Spanish policy favored the United Nations.

United States Seizes Hoodlum Ricca

EXTENSION OF REMARKS

OF

HON. FRED E. BUSBEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. BUSBEY. Mr. Speaker, under leave to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I include the following articles which appeared in the Chicago Tribune of Thursday, June 17, 1948:

UNITED STATES SEIZES HOODLUM RICCA—REVOKE PAROLES OF FOUR GANGSTERS, CONGRESSMEN DEMAND—MOBSTER ORDERED BACK TO PRISON FOR HEARING—HEAVY SPENDING, FAILURE TO LIST IT CHARGED

BULLETIN

Application for a writ of habeas corpus for the release of Paul Ricca was filed in Federal district court yesterday afternoon by attorney William Scott Stewart. The application, printed and apparently prepared long in advance, also includes Phil D'Andrea, Charles Gioe, and Louis Campagna, paroled with Ricca, as petitioners.

Paul Ricca, one of four Capone hoodlums turned loose by the Federal Parole Board last August after serving one-third of a 10-year sentence for extortion, was arrested at his home yesterday by deputy United States marshals on a warrant charging him with parole violation.

He will be returned to a Federal prison to be designated by the United States Attorney General's office, to await a hearing at the prison by the parole board to determine whether he is, in fact, a parole violator. If the board concludes that he is, then it might, in its discretion, revoke his parole.

BOARD MEMBER SIGNS WARRANT

The warrant on which Ricca was arrested was signed by Fred S. Rogers, a member of the Federal Parole Board, and was transmitted to United States Attorney Otto Kerner, Jr., for execution.

Kerner said that the warrant was based on information resulting from a Federal grand jury investigation of the release of the four hoodlums, and on an investigation by the Federal Bureau of Investigation. Thus far, no charges of parole violation have been lodged against Ricca's three companions in the wholesale parole, Louis (Little New York) Campagna, Charles Gioe, and Phil D'Andrea.

REPORTS INCOMPLETE

Kerner said the warrant charges Ricca with failure to make full and true written reports to the supervisor of parole, including detailed reports of income and disbursements, and of associating with persons of bad reputation, and refusing to reveal the source of money used to settle the government's compromised income tax claim against him prior to the granting of his parole.

out of proportion to their numbers in our population.

If, despite this, the silly myth of "Jewish communism" persists in some quarters, it only proves the extent of human credulity. It is a myth brought to full flower by Nazi propaganda, part of the evil heritage of Hitlerism. People familiar with the history of Bolshevism are inclined to dismiss it contemptuously as too grotesque to be refuted.

I share their contempt, but I am convinced that the nonsense should be thoroughly and openly debunked. The malicious legend that Jews are somehow to blame for communism in Russia and its fifth column here is a weapon in the armory of intolerance. With the pendulum of American sentiment swinging against everything Soviet abroad and at home, there is danger that weak and prejudiced minds may translate anti-communism into anti-Semitism.

I have some warrant for attempting to discuss the relation between Judaism and communism, since I am a Jew who has devoted a lot of study to the Communist movement. Because of books like *Assignment in Utopia* and *The Red Decade*, because I have fought the Communists during years when it was neither a fashionable nor a comfortable avocation, I flatter myself that I am in the list of American "red-baiters" earmarked for "liquidation" comes the revolution.

But when the tumbrils roll to the red squares of American cities, I know I shall be part of a large and gallant Jewish company. George E. Sokolsky will be there, and Benjamin Stolberg, Isaac Don Levine, David J. Dallin, Bertram Wolfe, Max Nomad, Lawrence E. Spivak, Louis Fischer, Benjamin Gitlow, Sydney Hook, Leon Dennen, Sol Levitas, Simeon Strunsky, Jay Lovetone, Morrie Ryskind, Harry Lang. These are but a few of the many Jewish writers and journalists who have been fearless in their assaults on Stalinism and its American agents.

The editors of virtually all Jewish newspapers would be there with us, the octogenarian Abraham Cahan, editor of the world's largest Yiddish paper, the *Jewish Daily Forward*, in a place of honor. Though there are some 5,000,000 Jews in the United States, there is only one Jewish Communist daily, the *Freiheit*, with a circulation of about 12,000; the *Forward*, by contrast, has 140,000. The whole of the Jewish English-language press (American Hebrew, *Jewish Frontier*, *Commentary*, etc.) is vigorously anti-Communist.

My colleagues in liquidation also would include practically all Jewish labor leaders, with David Dubinsky, head of the International Ladies Garment Workers Union, Julius Hochman, head of the dressmakers, and Max Zaritsky, head of the cap and millinery workers, getting special attention. The United Hebrew Trades, representing the vast majority of organized Jewish workers, has been militantly anti-Communist at a time when the general American labor movement was crawling with Communist boyers-from-within.

I am not implying that those red tumbrils would be filled exclusively with Jews. Plenty of deserving Christian culprits will be there, including seasoned "red-baiters" like Max Eastman, William Henry Chamberlin, Dr. John Dewey, and new recruits to their ranks like W. L. White and Brooks Atkinson.

Yet the prominence of Jews in the top ranks of anticommunism is a remarkable fact, considering that their race is only a 3½ percent minority in the American population.

Neither do I wish to imply that there are no well-known Jews on the pro-Soviet side. There are writers like Maurice Hindus, George Seldes, Mike Gold, Lillian Hellman, and Albert Maltz; labor men like Ben Gold, Abram Flaxer, Lee Pressman; personalities in the arts and sciences like Jo Davidson, Herman Shumlin, Dr. Edward Barsky, Edward G. Robinson.

But these would amount to a negligible minority in the Christian host. The outstanding pro-Communist and pro-Soviet writers and public figures in this country, it happens, have been overwhelmingly non-Jewish. I set down, almost at random as they come to mind, some of the names most frequently associated with Soviet apologetics, party-line propaganda or Communist innocent-front organizations:

Albert Rhys Williams, Anna Louise Strong, Walter Duranty, Louis Adamic, Prof. Frederick L. Schuman, Dr. Arthur Upham Pope, Corliss Lamont, Dr. Jerome Davis, Robert Morss Lovett, Rockwell Kent, Paul Robeson, Muriel Draper, Joseph E. Davies, Vito Marcantonio, Col. Evans Carlson, Frederick Vanderbilt Field, Rev. Harry Ward, Dr. William J. Schieffelin, Dr. Walter Rautenstrauch, Bishop Francis J. McConnell, Rev. Wayne White.

The list could be extended to book length. But the sampling should suffice to disprove the assumption that Jews have a special tendency toward the Communist orbit.

For reasons that are sociological rather than racial, Jews do hold an important place in the rank-and-file membership of the official Communist Party in the United States (not in other countries). But in the overall Communist movement, including the huge and tremendously important periphery of fellow travelers, they are outnumbered perhaps 50 to 1.

The same is true for the Communist Party high command. There are a few Jewish leaders, notably Jack Stachel and Israel Amter, but the bulk of the leadership—William Z. Foster, Eugene Dennis, Robert Thompson, Robert Minor, Elizabeth Gurley Flynn, John Williamson, Earl Browder (temporarily expelled, but in fact still a leader)—is non-Jewish.

This is not exceptional. It reflects the situation throughout the world. Thorez and Duclos in France, Togliatti in Italy, Pieck, and Ulbricht in Germany, Bierut in Poland, Tito in Yugoslavia, Dimitrov in Bulgaria are Christians. In the Near East and north Africa, the few remaining Jewish Communist leaders are being forced out, now that the Kremlin's foreign policy calls for all-out support of Arab, Moslem, and anti-Jewish elements in those areas.

It should be emphasized that the department of American life in which Communist penetration has been deepest and where it is most dangerous, particularly in case of war, is the organized labor movement. But here the pro-Communist leadership—typified by Harry Bridges, Mike Quill, Freddy Myers, Donald Henderson, Reid Robinson, James Matles, et al.—is strikingly non-Jewish, whereas the opposition to that leadership, typified by David Dubinsky, Morris Muster, Jack Altman, counts many Jews.

Perhaps the foregoing summation is weighted in favor of the Jews, though I am trying to be objective. But even if it is heavily discounted, the unfairness of the Jewish bolshevism charge still remains in clear relief.

This despite the fact that the membership—not the leadership—of the American Communist Party itself in this country is strongly Jewish. Exact figures are not available. Gitlow, in his book *I Confess*, put it at about 15 percent. Other estimates are as high as 50 percent. In New York City, where about one-fourth of the whole party membership is concentrated, the Jewish contingent probably exceeds 50 percent.

Let us keep in mind, however, that we are dealing with a party which claims no more than 80,000 members and whose actual paid-up membership in good standing is less than half the number; whose official newspaper, the *Daily Worker*, which is circulated all over the country, has only some 25,000 readers.

Even a substantial Jewish percentage of that party therefore represents only an in-

finitesimal fraction of the American Jewish population—a fraction so minute that in the larger picture of Jewish life it fades into nothingness.

It is unfair and mischievous to blame the Jewish community of 5,000,000 for the handful attracted by the Communist Party. It is a minority disowned, disliked and at best pitied by American Jewry as a whole.

That infinitesimal minority is concentrated in a few cities, largely in immigrant areas. It is emphatically untypical of American Jews as a whole, who are deeply individualistic in their economic ideas, deeply democratic in their political preferences.

The Jewish workers attracted by the Communist Party are mostly Russian in origin. They have a natural nostalgic emotion for anything Russian; unhappily that includes Sovietism, about which they have rose-tinted illusions. The czarist dynasty meant for them pogroms and discrimination. Its political heirs, though tyrants themselves, unavoidably have a certain glamour in the eyes of these refugees from persecution. Against this background the remarkable fact is that so few American Jews have swallowed the Communist line, trimmed as it is with fake-idealist and race-equality bait.

Another significant point: If some Jews are snared by the Communist Party, they do not long remain snared. The turnover in the Communist Party here is fantastically high—averaging about 40 percent a year. A member of 4 or 5 years' standing is a veteran. This means that workers who take the bait do not remain on the hook very long.

The Jewish community in the United States has during many generations developed great social and philanthropic organizations: the Arbeiter Ring (Workmen's Circle); the Gewerkschaften (United Hebrew Trades); the Jewish Labor Committee; B'nai B'rith; the American Jewish Committee. Taken together, these talk for the millions—and they are not merely not Communist but anti-Communist.

Totalitarianism in any form, in the final analysis, is alien to the spirit of the Jewish people, who are anything but collectivist. Despite the aberrations of a few, the average Jew knows in his bones that as a minority group Jewry has no chance for equality and normal existence except in liberal democratic societies.

How did the myth that communism is a Jewish movement arise?

To begin with it was deliberately fostered by the most reactionary elements in Russia, the so-called Black Hundreds and their ilk. They sought to turn the anti-Semitism of the darkest masses in their tragedy-ridden land against the Bolsheviks by identifying them with Jews. They even labeled Lenin, who came of the lower Russian nobility, a Jew.

Because a great many Jews, and in particular Leon Trotsky, did play a prominent role in the revolution, the propaganda took. Then came Hitlerism in Europe. With diabolical skill the Nazis expanded the lie about Jewish bolshevism and gave it universal circulation. The job begun by the Black Hundreds was thus finished by the brown marauders—and distorted minds everywhere, America included, soaked up the malicious invention.

The delusion that the Kremlin regime is dominated by Jews is one of the mainstays of such minds. Let us therefore examine it briefly.

Karl Marx, whom the Communists claim as the father of their faith, would hardly acknowledge the totalitarian set-up in Russia today as his own progeny. In any case, he was a Jew—a Jew who was baptized as a child, denied his racial heritage and at times wrote like a rabid anti-Semite. His most prominent associate and alter ego, Friedrich Engels, was a Christian. Not one of the so-

cial philosophers upon whom Marx and Engels based their system—St. Simon, Fourier, Hegel, etc.—was Jewish.

In czarist Russia, the Jews were a persecuted minority, living in restricted areas, denied the rights of full citizenship. Like other minority races, they could have no love for the established order and were drawn to the revolutionary movements. There were many Jews in the ranks of revolution in the czar's empire for the same reason that there were many Georgians—Stalin among them—and Armenians.

But even in dark Russia and in the face of terrible provocation to extremism, the Jews tended to join the moderate, democratic groups rather than the extremists. Their largest organization was the Bund, a moderate-socialist alignment.

In the actual revolution of 1917, a galaxy of brilliant Jews emerged in the Bolshevik camp—Trotsky, Zinoviev, Kamenev, Radek, Uritsky, Litvinov and others. Because their counterrevolution against Kerensky's democratic regime succeeded, history has magnified these names until they seem to fill the whole stage of that period.

The anti-Jewish propaganda conveniently forgets that Jews were even more numerous and more prominent in the Menshevik and Social Revolutionary camps—in the groups, that is, opposing bolshevism.

Within the Bolshevik high command, Jews were always a distinct minority. The founders of the party and its most active leaders from 1903 to 1908 were Lenin, Malinovsky, Skvortzev-Stepanov, Vorovsky, Professor Pokrovsky, Bonch-Bruchevich, Rumyantzev—not a Jew among them. Only much later some Jews began to achieve posts of leadership.

Of the 124,000 Communist members in the Russian ruling party in 1918, the first Soviet year, only 3,200 or 2.6 percent were Jews. Today the percentage is almost normal in relation to the Jewish population in the country.

After the revolution, and especially since Stalin's rise to power, Jews have tended to disappear from the uppermost Soviet hierarchy. There is now only one, Lazaar Kaganovich, among the 14 who make up the all-powerful Politburo which rules Russia and the world Communist forces.

Jews, it is too often forgotten, held first place among the victims of the revolution. Being mainly small traders, they fell into the categories of capitalist and bourgeois elements told off for extermination. The groups in Russia officially denied a vote, the right to rations and other privileges of full citizenship, during the 1920's and early 1930's, were known as *lishentzi*. Thirty-five percent of all Jews were in this outlaw class, as against 5 or 6 percent for the whole Soviet population.

While Yiddish is a legal minority language, Hebrew is forbidden and Zionist views are punished as treason to the U. S. S. R. As for religious Jews—and at the outset they were the great majority—their life has been one long ordeal of persecution. It is no accident, therefore, that hundreds of thousands of Jews are fleeing from Soviet-dominated regions behind the iron curtain.

At the end of 1945 the Soviet government gave certain categories of Polish Jews who found themselves within the Soviet frontiers the choice of accepting Soviet citizenship or leaving. All of them, numbering about 150,000 and including thousands of Communists, chose to depart. They had no illusions about the troubles that awaited them outside, but anything seemed to them preferable to life in Stalin's country. It was in effect a poil of Jewish sentiment about the Soviet paradise and it registered unanimous opposition.

The anti-Semitic legend that the Soviet regime is somehow Jewish thus makes no more sense than the related myth that American communism is Jewish.

Speech of Hon. William B. Umstead, From Raleigh, N. C., on May 18, 1948

EXTENSION OF REMARKS

OF

HON. WILLIAM B. UMSTEAD

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. UMSTEAD. Mr. President, I ask unanimous consent to have printed in the RECORD a speech delivered by me over a State-wide radio hookup from Raleigh, N. C., the evening of May 18, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen, the time has now come for me to thank the people of North Carolina for the many, very many, expressions of confidence and support which have come to me in unprecedented volume during the past few weeks. I also wish to express my deep thanks and appreciation to all those who are supporting my candidacy to succeed myself in the United States Senate. I now have every reason to believe that you will nominate me as your Senator on May 29, and wish for you to share with me the air of confidence and victory which comes from my friends in all sections of the State.

First, I wish to comment on the farm program. I was in Congress when the existing favorable farm legislation passed that body. I worked and voted for the AAA, the REA, the soil-conservation program, agricultural research, and other legislation which has come to be known as our national farm program. Between the time of my service in the House and the Senate, the parity and support price legislation was enacted by Congress. All of these things have brought unprecedented prosperity to our State.

The Commodity Credit Corporation, organized while I was a Member of Congress, is now authorized to use its funds to make loans on certain commodities, including tobacco, under the parity formula. The funds are provided by Congress, and in order to secure said funds it is necessary to organize a corporation and secure a charter subject to the approval of the Commodity-Credit Corporation. It is as simple as that. There are hundreds of good lawyers in North Carolina, any one of whom could have, and I am sure would have, been glad to have drawn the charter for the Tobacco Stabilization Corporation. Certainly, it is rather unusual for the lawyer who did draw the charter to have it inferred that the benefits which have resulted from the operation of the Corporation as a part of the Federal parity and support-price system merely resulted from the drawing of the charter. I can hardly believe that any one man could or would claim that he is responsible for the benefits to tobacco farmers resulting from the operation of the parity formula. Similar organizations have been created under the authority of the Federal act, operated with Federal funds to help out difficult crop situations throughout the country. All of this program is the result of the leadership of the Democratic Members of Congress, including those from North Carolina who in season and out have worked tirelessly for the development and successful operation of the farm program, of which the Tobacco Stabilization Corporation is only a part. Members of the North Carolina delegation have been in the forefront of the struggle to devise and operate a farm program which would be fair to the South and to our peculiar agricultural conditions.

Almost everyone now favors the national farm program, including tobacco control and

parity and support prices, but back in the depression years of the thirties, when agriculture was prostrate, President Roosevelt and Congress were plowing in new ground in an effort to find some way to aid agriculture. The various parts of the program we now have were then untried. It was not easy then for Congress to enact some of these laws, but they have proven their worth. It is a matter of satisfaction to me that during my 6 years of service in the House and since I have been in the Senate the other members of the North Carolina delegation in Congress and I have loyally supported measures for the benefit of agriculture. Our congressional delegation is due much credit for their foresight and courage, for their contribution to the development of our farm program, and especially in connection with tobacco.

Recently much has been said with reference to the medical-care program in North Carolina. This program was initiated by the medical profession. The legislation establishing the medical care commission and providing funds for the good-health program has been the work of many people. The bill which was passed by the 1945 legislature and which created the present medical care commission was drafted by me. I gave the matter most of my time for a period of more than 6 weeks. It had my support at every turn, and as chairman of the State Democratic executive committee I advocated the good-health program throughout North Carolina. I went to Washington in 1945 at my own expense, more than 18 months before I became a Member of the Senate, to testify in favor of the passage of the Hill-Burton bill to provide funds to assist in the construction of hospitals and medical-care centers without Federal control. This bill was later passed by Congress, and in 1947, as a Member of the Senate, it was my pleasure to vote to provide funds under the act to make the medical-care program in North Carolina and elsewhere possible. There is enough glory in this great undertaking for everyone who had a part in its success. I claim only to have had a modest part in its development, and although I do not wish to appear immodest in relating my part in this matter, I do wish to keep the record straight and to give credit to the great number of men and women who wholeheartedly gave of their time, energy, and money to the success of this great achievement.

Time does not permit me to discuss all of the matters which have been acted upon since I have been a Member of the Senate, nor all of the legislation now pending before that body. Many such matters of grave and serious concern I have discussed from time to time in this campaign in various parts of North Carolina. I have frankly presented many of the problem now facing our Nation and the world. These are perilous times, fraught with many hazards and dangers. Experience in Federal affairs and Federal legislation has perhaps never been more important than it is today.

When a Member of the United States Senate is faced with definite legislation affecting the life, the liberty, and the property of individuals, or affecting the peace of the world, such as the European recovery program, the reduction of taxes, civil rights legislation, or legislation affecting the rights of labor, industry, and the general public, and after bills are carefully considered, first by the committees and then on the floor of the Senate, there comes a time when the clerk calls the roll, then each Senator, as his name is called, on his own responsibility and without evasion, must vote either "yes" or "no." These votes become a part of the written record.

On his record each Senator is judged. The people back home have a right to know how each Senator voted. They have the right to weigh his record in the balance, and to decide if he is worthy of their confidence and en-

titled to their support. My record, as a member of the House and since I have been in the Senate, is written. In every instance, after conscientious study and consideration, I have been guided solely by what appeared to me to be for the best interest of all the people of my State and Nation. So far as I know, no attack has been made upon my legislative record except by leaders of organized labor. Therefore, if my record meets with your approval, then I feel entitled to ask your support on May 29.

Every candidate for the high office of United States Senator should be willing to express his views, when called upon to do so, concerning laws, national in scope, affecting the welfare of the people generally, or to state his position, in cases where the facts are known, on pending legislation of vital interest to the general public.

On February 28, and since that time, I have repeatedly expressed regret that the President recommended to Congress enactment of the so-called civil-rights program, which includes an antipoll tax, an antilynching, and an FEPC bill. All of these are now pending in Congress. I am opposed to each of them, and believe that all Democrats should oppose them. I have also stated that undertaking to pass such legislation would be unwise at any time, and particularly now, when we are struggling with so many problems of vital concern at home and abroad. The passage of two of these bills would result in bitter disagreement and division among our people at a time when unity is so essential to success. Furthermore, the bills referred to constitute an unwarranted invasion of State sovereignty and go beyond the limits clearly fixed by the Constitution of the United States.

The anti-poll-tax bill is of profound importance because of the principle involved. It would be the beginning, and would open the way for the Federal Government to determine all qualifications for voting and take charge of our election machinery. Few things could be more dangerous or further from the objective and intention of the founding fathers.

The antilynching bill is purely a political measure. If the Federal Government may take over the police power of the States in this one instance it may do so in all, and any constitutional guaranty to the contrary would be gone. Such legislation would be dangerous to the lives and liberty of citizens everywhere.

Even worse than the anti-poll-tax bill and the antilynching bill is the FEPC bill. It would eliminate by Federal control the free choice of employment by both employers and employees. Under its provisions the Federal Government would employ and send into each State a great force of inspectors, investigators, and Federal policemen to pry into the details of every business affecting commerce, and would result in unparalleled chaos and confusion. In North Carolina it would not work. Discord and friction and bitterness would be the result. The Federal Government has no moral or legal right to force upon the people conditions such as would be created by this law. Nothing should be done to disturb the peaceful relations now existing among the people of North Carolina.

When the Federal Government exercises the power to determine who should vote and takes charge of elections, when it takes over the police power of the States, and when it undertakes to interfere with and pass upon the hiring and firing of the employees of all who are engaged in a business affecting commerce, then, in truth and in fact, State lines will have been wiped out, and the power reserved to the States by the Constitution will no longer exist.

Today constitutional government everywhere is seriously threatened. Our own Republic is put to the test as never before. The Congress of the United States is faced with the greatest problems on every hand. Surely this can be no time to weaken the

structure of our Constitution and our dual system of government by legislation that would spread discord and bitterness among our people.

It has been said that the race question has been injected into this campaign. If so, by whom? Mr. George L. Googe, of Atlanta, Ga., in his speech in Wilmington, N. C., on August 13, 1947, injected the race question into the politics of every Southern State. I have not used the word "race" except in referring to the speech of Mr. Googe and in quoting the word "race" from the pending FEPC bill. It is to be admitted, however, that, insofar as the antilynching bill and the FEPC bill involve race questions, it is an issue in many States where there is a contest for a seat in Congress.

I have taken my position against these measures on the sound ground of the lack of power on the part of Congress to enact this legislation, and I have no desire to discuss, and do not intend to be led into a discussion of, the race question. I did not introduce these bills. I regret that they have been introduced, and that they are now pending before the Senate. But they are pending, and will either be voted on at this or some subsequent session of Congress. I have stated my position, and the people are entitled to know the position of every candidate for the United States Senate on these issues. They are now before the people. I therefore, here and now ask my opponent, if he is nominated and elected to the United States Senate, if he will vote for or against the antipoll-tax bill, the antilynching bill, and the FEPC bill. The people are entitled to know, and I am requesting of him a direct answer without evasion.

As to the many votes I have cast both in the House and Senate during nearly 8 years in the Congress, I seem to have had only one group to seriously question my vote. That vote was for the Taft-Hartley bill. The necessity for this bill arose in the following manner:

Between July 1935, and January 1947, some labor leaders abused the rights granted under the Wagner Act, and began to exercise their powers in ways which disregarded the public welfare, and in some instances challenged the power of the Government itself. Labor disputes increased. During the war years, the patriotic restraints of wartime, and the efforts of the War Labor Board maintained some degree of industrial peace. But even during those years, there were some labor leaders who defied the general welfare of the people. Mr. John L. Lewis called a coal strike in the midst of World War II. After the war, strikes were called in industries which affected the public health, security, and general welfare of the people. This was illustrated by another coal strike called by Mr. John L. Lewis in cold weather, when his power had grown so great that he defied an order of a Federal court of the United States, and was tried and convicted of contempt. Furthermore, certain labor leaders assumed a tremendous power over the rank and file of union members.

By the time the Eightieth Congress convened in January, 1947, it was clear that public opinion in the Nation demanded action upon this question. After weeks and months of hearings, thorough debate, and detailed consideration, it became law by an overwhelming vote, clearly indicating a demand from the people of the Nation for the enactment of this legislature for the protection of the general welfare. It did not destroy the legal recognition of unions. It did not eliminate unfair labor practices on the part of the employers contained in the original act. It was not a perfect bill. However, it did offer some measure of protection to the American people, and a large amount of protection to members of unions and to workers in general.

Mr. George L. Googe, an out-of-State labor leader of Atlanta, Ga., in a speech in Wilmington last August 13, is quoted as saying:

"That increased labor activity would spell defeat for the North Carolina Senators in their reelection efforts. Senator UMSTEAD was singled out for an especially bitter attack because the Senator supported the Taft-Hartley bill."

I did not at that time take this hot-weather speech of an out-of-State labor leader very seriously; however, on February 23 of this year, Mr. Googe was in our State again. This time he met with the United Labor Political Committee for North Carolina, and I am informed, out-of-State CIO leaders, at the Yadkin Hotel in Salisbury, N. C., to make political plans. After an all-day meeting the word was passed down to the local unions that I must be defeated. It is now evident that Mr. Googe and the out-of-State CIO leaders were convincing in their demands that the voters of North Carolina should follow out-of-State dictation as to how they should vote.

On Tuesday night, May 11, both candidates for the Senate were on the same platform in Wilson. Each candidate was presented written questions by some of those present. One question addressed to both candidates was as follows:

"I want to know how both Senators stand on the Taft-Hartley labor bill. I have read that Senator UMSTEAD voted for this measure. I want to know if Mr. BROUGHTON would have voted for this bill, as it passed the Senate, if he had been a member of the United States Senate at that time."

My opponent gave no direct answer to this question and I quote as follows from an editorial which appeared thereafter in the Wilson Daily Newspaper:

"The campaign issues: Of late, Senator WILLIAM B. UMSTEAD has been under fire from the labor leaders. They're after his scalp because he voted for the Taft-Hartley Act. If, then, they're to vote against Senator UMSTEAD, they must vote for his opponent, former Governor J. Melville Broughton. Now how would Broughton have voted had he been in the Senate at that time?"

"A lot of persons in Wilson tried the other night to find out. They pointedly asked the former Governor how he would have voted in like circumstances. Broughton, however, evaded. He wasn't in the Senate and therefore he didn't have to vote. Since the bill is a law, it doesn't have to come before the Senate again, except for amendment or repeal. Why, then, should he commit himself?"

"But isn't that political? If the CIO leaders are after Senator UMSTEAD's scalp, won't Broughton be the beneficiary? And since he will be, can we understand why he doesn't want to commit himself? But isn't the campaign bigger than that? Would not any representative from North Carolina, if placed in the position Senator UMSTEAD was, have done what he did?"

"The Times is bringing this out not because it wants to become a partisan in the campaign. It's doing so because it feels certain Broughton, had he been in the Senate, would have done what UMSTEAD did. If the Times is right in that surmise, why then, doesn't Broughton come out in the open and take the issue out of politics? Do we have statesmen running for office or do we have the old-style politicians?"

In the speech I made at the Wilson meeting, I openly declared my stand on this question and have done so many times in the State. I was puzzled as to why my opponent hesitated to answer directly and without evasion a question in which all the people in North Carolina are interested. However, perhaps there is a reason. I have recently been informed that my opponent for the Senate attended, for more than an hour, the

meeting in Salisbury on February 23, previously referred to, and that Mr. George L. Googe, of Atlanta, and out-of-State CIO leaders were present. I am also informed that at the end of the conference, it was understood that nothing should be made public concerning the proceedings or who were present.

In the light of these circumstances, it is not hard to understand why Senator PEPPER, frequently a spokesman for labor leaders, was obtained to deliver in my home town of Durham a tirade against the Taft-Hartley act last Sunday, and to advocate its outright repeal. I shall not be surprised to hear of more out-of-State speakers coming to North Carolina to tell the union members and other citizens what they must do on May 29.

I am advised that they plan to make North Carolina an example for the other States to follow; that they plan to join all the unions together in an effort to defeat me, and supported by out-of-State speakers such as the Senator from Florida, to show the other States what foreign leadership and propaganda can accomplish in North Carolina politics.

If I had not voted to curb the power of certain labor dictators, I would have been unfaithful to the union members of this country, to the unorganized workers, to the farmers, the school teachers, the clerks, the housewives, the merchants, and the millions who risked their lives in combat on foreign soil to preserve freedom and destroy dictators, and to the general public. I would also have been unfaithful to our national heritage, to the fundamental principles upon which our Government is based, and to all those since the foundation of this Republic who have worked and struggled in the belief that there should be equal rights to all and special privileges to none.

I have stated my position. This is both a State and a national issue. The people are entitled to know the position of every candidate for the United States Senate on this vital question. I therefore here and now ask my opponent if he had been a Member of the United States Senate in 1947 would he have voted for or against the Taft-Hartley labor bill as it passed the Senate. I also here and now ask my opponent if he is nominated and elected to the United States Senate with the help of the labor vote in North Carolina if he will vote for or against the straight-out repeal of the Taft-Hartley law as it is now written, which repeal is undoubtedly the present aim of the labor leaders of America.

North Carolinians should think, speak, and act together on May 29 concerning these important subjects. I appeal to all who agree with the position I have expressed on these vital issues to rally to my standard on May 29.

We Want Peace

EXTENSION OF REMARKS OF

HON. JOSEPH C. O'MAHONEY

OF WYOMING

IN THE SENATE OF THE UNITED STATES

*Saturday, June 19 (legislative day of
Tuesday, June 15), 1948*

Mr. O'MAHONEY. Mr. President, on June 13, President Truman was present at a Sunday morning breakfast given under the auspices of the International Labor Organization at the Fairmont Hotel at San Francisco, Calif. It will be remembered that our Government is represented at the ILO conference by our colleague, the senior Senator from

Utah [Mr. THOMAS] and by the Acting Secretary of Labor, Mr. David A. Morse, who has just been appointed director general of the ILO. I ask unanimous consent to have printed in the Appendix of the RECORD, the text of the extemporaneous statement which was made on that occasion by President Truman.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ADDRESS BY PRESIDENT TRUMAN

Mr. Chairman and ladies and gentlemen of the ILO, Mr. Morse persuaded me to come and have breakfast with you, and I am very happy that I am able to do it.

I have a hard and fast rule about speeches on Sunday. You see, I believe that 6 days in the week are for work and one is for rest. Of course, I have never caught up with that. [Laughter.] But I only consented to say a word or two here because I think maybe this organization can make—and is making—a greater contribution to peace in the world than nearly any other organization of its kind in the world. When I say any other kind of organization in the world, I mean parallel organization, because there is only one ILO, and there has only been one ILO.

I believe that if a cross section of every country in the world could sit down at breakfast, such as you are having here, and talk to each other so they can understand each other in a common language, we would never have any trouble in the world.

You know, honest men, when the facts are all in sight, never have any difficulty agreeing as to what the decision ought to be. It is my duty, as President of the United States, to make the decisions, because I can't pass the buck to anybody; and if I can get all the facts, I have found that the decisions that I make as a result of the facts are satisfactory to everybody.

Now, I think this organization is in a position to do more for peace in the world than any other organization of its kind in the world, as I said a while ago.

I want to pay a tribute to Mr. Phelan, retiring president, or presiding officer, or whatever he is called, because he has built this organization up over the 29 years that he has been in charge of it. He came to the White House and invited me to come to this breakfast, and I told him that I thought I would be so busy I couldn't possibly get here. Well, I have been so busy that I managed to get here, incidentally, because I decided to accept a degree from the University of California yesterday, and it became convenient for me to come over here. And I am certainly happy that I have had that opportunity.

This organization is represented from the United States by business and labor and government. Mr. Morse and Senator THOMAS—a great Senator from Utah—Mr. Morse, the Under Secretary and Acting Secretary of Labor, are representatives of the Government of the United States. Mr. Zellerbach represents the business cross section of the United States, and Mr. Fenton represents labor in the United States.

If we could get congresses together representing all those organizations—and I think probably it might be well to add another organization, since this is Sunday morning—we ought to have a cross section of religion in the world, a religion founded on a moral code.

I, the other day, was instrumental in starting a stamp sale dedicating the death of four chaplains in this Second World War, and those four chaplains represented Catholics, Protestants, and Jews. And those four chaplains, when their ship was sinking, handed out all the life preservers that were available in the box, and then took off their own and gave their lives that four young men might be saved.

Now you cannot witness, or hear about a thing of that kind, without understanding that the heart of the ordinary man is right. And that is what I want to impress upon you this morning, that when your heart is right, and you want to do only what is right, you will have plenty of help and assistance in doing it.

We want peace—peace. We want peace in the world. We want every country in the world to have the necessities of life, to be able to live with its neighbors on a basis of doing as you would be done by.

If we can accomplish that, there will be no difficulty whatever about our getting along in the world. I tried to make that perfectly clear yesterday over at the stadium, and I believe that we are approaching that sort of a situation in the world. The United Nations is just a fundamental start in understanding. The United Nations some day will come out just as the United States came out after 1787 when they adopted the Constitution of the United States. It took 80 years to implement that Constitution, and if we can get the United Nations to work as a court of justice, in which all the difficulties between the United Nations can be settled as we settle them between States in the United States, we will have no difficulty whatever, and never, never will we have to use this atomic release for anything but the welfare of mankind. That's all I am interested in. I want to see that the results of the good things that came out of this terrible war through which we went are used in the future for the welfare of mankind, and not for its destruction. That is the only ambition I have. That is the only ambition I have ever had. And if you read the record, you will find that that is what I have been working for ever since I was unfortunate enough to be President of the United States on the death of one of the greatest Presidents the country ever had—Franklin Roosevelt.

If I can carry out the policies which he and I discussed a month or so before he died, there will be peace in the world. You people are making a great contribution.

It has been a pleasure to come over here and preach a Sunday morning sermon to you. [Applause.]

Hon. Estes Kefauver, of Tennessee

SPEECH OF

HON. WALTER B. HUBER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Friday, June 18 (legislative day of
Thursday, June 17), 1948*

Mr. HUBER. Mr. Speaker, during the terms I have served in this House, many Members have come and gone. We have lost valuable Members through death—the whims of politics—and those who have left to follow other pursuits.

I have listened to my good friend and colleague, the Honorable ESTES KEFAUVER, say farewell to those with whom he has so ably served.

Tennessee has contributed many statesmen to our great democracy, and I know of none who gives more promise of emulating the greatest of these than the gentleman from Tennessee, ESTES KEFAUVER.

Though he does not return as a Member of the House of Representatives, yet he will still be with us in spirit, and the contributions he has made to this body, will long be gratefully remembered.

CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued June 25, 1948
Congressional Record - June 22, 1948
80th-2nd, No. 115

CONTENTS

Appropriations....20,29,32, 34,39	Food and drugs.....15	Personnel.....23,38
Banking and currency....21	Foreign affairs	Prices.....13
Census.....31	Relief.....24,29	Prices, support.....1
Cost of living.....24	Forests & forestry....30,37	Rehabilitation, rural....25
Dairy industry.....8	Grains.....3	Research.....7
Displaced persons.....14	Housing.....6	Soil conservation.....4
Education.....18	Labor.....26	T.V.A.....12
Electrification, rural..5	Lands.....2,35	Territories and pos- sessions.....16,27
Expenditures.....24	Lands, forest.....30,37	Tobacco.....9
Farm income.....10	Lands, grazing.....36	Transportation.....17,27
Farm program.....2	Lands, reclamation.....19	Trade, foreign.....11
Federal aid.....18	Livestock and meat.....8	Veterans' benefits.....38
Flood control.....28	Loans, farm.....33	Water utilization.....22

ITEMS IN APPENDIX

1. PRICE SUPPORTS. Sen. Brewster, Maine, inserted a Maine Potato Growers News article commending price-support program administration (p. A4397).
2. FARM PROGRAM. Extension of remarks of Rep. Miller, Nebr., pointing out accomplishments of the 80th Congress, referring particularly to agricultural legislation (pp. A4454-5).
Extension of remarks of Rep. Jensen, Iowa, favoring H.R. 6054, the Hope land-policy bill (pp. A4468-9).
Extension of remarks of Rep. Brooks, La., discussing legislation in the past decade and referring particularly to agricultural legislation (pp. A4542-4).
3. WHEAT. Rep. Reeves, Mo., inserted a constituent's letter opposing the International Wheat Agreement and the Federal CCC charter (pp. A4449-50).
Rep. Reeves, Mo., inserted a constituent's letter questioning Government purchases of wheat (pp. A4452-3).
4. SOIL CONSERVATION. Rep. Harrison, Va., inserted a Berryville Elementary School student's essay on soil conservation (pp. A4447-8).
Speech in the House by Rep. Case, S. Dak., favoring tax deductions for expenses of soil conservation (pp. A4460-1).
Rep. Harrison, Va., inserted a Rockbridge County (Va.) News editorial on the effect of soil conservation in the South (p. A4464).
Extension of remarks of Rep. Reeves, Mo., criticizing SCS "propaganda" activities (pp. A4520-2).

5. RURAL ELECTRIFICATION. Extension of remarks of Rep. Earless, Ariz., discussing REA programs in Ariz. (pp. A4461-2); and inserting his previous speech in the House on REA funds (pp. 4464-5).
6. HOUSING. Various remarks and insertions on the housing bill (pp. A4457-8, A4460, A4473-5, A4484, A4499).
7. RESEARCH. Extension of remarks of Rep. VanZandt, Pa., discussing USDA research with respect to the use of atom energy on the farm (pp. A4488-9).
8. LIVESTOCK AND MEAT. Extension of remarks of Rep. Carson, Ohio, explaining proposed legislation relative to dairy cattle declarations for tax purposes (pp. A4489-90).
9. TOBACCO PROGRAM. Extension of remarks of Rep. Chapman, Ky., discussing the history, accomplishments, and the future of the tobacco program (pp. A4532-5).
10. FARM INCOME. Extension of remarks of Rep. O'Konski, Wis., inserting and discussing a Washington Daily News editorial on farm income (pp. A4547-8).
11. FOREIGN TRADE. Rep. Keefe, Wis., inserted a Hayssen Manufacturing Co., letter on the export situation (p. A4504).
Rep. Kunkel, Pa., inserted his recent radio address favoring the principles of reciprocal trade agreements (pp. A4511-2).
12. T.V.A. Rep. Kefauver, Tenn., inserted his debate with Rep. Jensen (Iowa) favoring the TVA (pp. A4512-3).
Extension of remarks of Rep. Kefauver, Tenn., favoring the appropriation for the TVA steam plant (p. A4505).
13. PRICES. Extension of remarks of Rep. Donohoe, Mass., urging a basic stabilization of prices (p. A4531).
14. DISPLACED PERSONS. Various remarks and insertions on the displaced-persons bill (pp. A4422-3, A4497, A4520, A4530).
15. FOOD AND DRUGS. Extension of remarks of Rep. Chapman, Ky., favoring H.R. 4071, to amend the Federal Food, Drug, and Cosmetic Act relative to the seizure of food and drugs (pp. A4537-41).
16. VIRGIN ISLANDS. Speech in the House by Rep. Miller, Nebr., favoring the bill to incorporate the Virgin Islands Corporation (p. A4545).
17. ST. LAWRENCE SEAWAY. Sen. Wiley, Wis., inserted a statement on the Foreign Relations Subcommittee study of the St. Lawrence Seaway (pp. A4365-6).
18. FEDERAL AID; EDUCATION. Rep. Powell, N.Y., inserted newspaper articles and editorials on Federal aid for education (pp. A4392-4).
Extension of remarks of Rep. Deane, N.C., expressing his "disappointment" that the bill to provide Federal aid for education did not pass the House (pp. A4514-5).
Extension of remarks of Rep. Chapman, Ky., favoring Federal aid for education (pp. A4550-1).
19. RECLAMATION. Extension of remarks of Rep. Miller, Nebr., including newspaper editorials, on the Reclamation Bureau appropriations (pp. A4369-71).
20. APPROPRIATIONS. Extension of remarks of Rep. Engel, Mich., questioning the use

about a bloodless duel between himself and a radical leader of the opposition. His preferred service was in the Halls of Congress where he believed he could be of the greatest benefit to his country.

After retiring from the Senate in 1842, he was chosen to run for the Presidency in 1844 at the Baltimore convention. For many years he was the national leader of his party, and although three times its candidate for President, never was elected.

Because of his many activities and his advocacy of important questions before the Nation during his more than 40 years of active public life, his loyalty to the country and its principles, he had made many enemies among the rich and the powerful, but he never wavered or compromised in his efforts to seek justice for the oppressed for liberty and the protection of his country.

He was defeated for the Presidency, due in no little measure to his championship of justice, right, and truth. He gave utterance at the time to that famous phrase, "I had rather be right than be President."

In 54 years of his engagement as a lawyer, it was said that he never lost a case; however, on one occasion he defended one, proved to be afterwards an innocent man, who was accused and hanged for murder. Confession was afterwards made by the murderer of his guilt.

He died on the 29th of June 1852.

The Federal Price-Support Program

EXTENSION OF REMARKS OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

*Saturday, June 19 (legislative day of
Tuesday, June 15), 1948*

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "A Word of Appreciation," appearing in the Maine Potato Growers News for June 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A WORD OF APPRECIATION

As a result of the efficient administration of the Federal price-support program during the past season, our market has been at support or just slightly above throughout the entire season. In the opinion of the writer, the handling of this price-support program so as to maintain prices at support, and at the same time avoid the creating of a fictitious shortage, has been one of the cleverest pieces of administration that we have seen in a long time.

Any time that any Government administrators make mistakes they get panned good and plenty, which is as it should be in a democracy. However, too often when they do a good job, it is taken for granted. We certainly hope that such will not be the case with reference to the administration of price support on potatoes this year. We believe that our growers in Maine at least should express to the county PMA committee, to the State PMA committee, and to the administrators in Washington their congratulations on an extremely successful administration and their appreciation for the very capable manner in which the price-support program has been handled.

To those of us who may be arm-chair generals, it is easy to sit back and tell how such a program can and should be administered. However, just stop and think a minute. If the Government had not taken enough potatoes off the market in the form of export, diversion, and so forth, prices would have sagged below support. On the other hand, if they had taken a few too many potatoes off the market, prices might have skyrocketed at the tail-end of the year, with a resulting justified condemnation on the part of consumers and taxpayers. To maintain a proper balance under these conditions and be able to take off the market just enough potatoes and yet not too many was an extremely difficult accomplishment.

We do not doubt but what if the Federal Government had taken the recommendation of some of us in the industry at some times during the past year, they would have taken too many potatoes off the market at the detriment of everyone. Therefore, we ask that our grower-members do two things. One, that they recognize the extreme difficulty of maintaining a program that will hold this potato market at a constant level such as has been done this past year. Secondly, that they realize the extremely constructive job that has been done by PMA and the various Government administrators, and when opportunity presents itself, express to those people our appreciation for a job well done. We pan them enough when we think they are wrong. Let us give them credit when they are right.

National Literacy Education

EXTENSION OF REMARKS

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Saturday, June 19 (legislative day of
Tuesday, June 15), 1948*

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD several editorials on the problem of adult illiteracy in the United States, with special reference to the bill entitled "National Literacy Education Act" introduced by Senators WAYNE MORSE, WARREN G. MAGNUSON, and myself.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Fairmont (W. Va.) Times of
Monday June 7, 1948]

KILGORE PROPOSES

Last week Senator HARLEY M. KILGORE introduced in the United States Senate a measure titled the National Literacy Education Act of 1948. It probably will be known as the Kilgore-Magnuson-Morse Education Act because Senator KILGORE is acting in conjunction with Senator WARREN G. MAGNUSON, of Washington, and Senator WAYNE MORSE, of Oregon.

The measure would make available \$125,000,000 of Federal funds to be spent over the next 10 years for adult education. According to the 1940 census, there were 10,000,000 adults in the United States who could not read and write sufficiently well to use such skills.

Senator KILGORE's argument for the measure is worthy of your study. He said:

"The man who does not understand is always a dangerous man. He cannot go along with his social group, because he cannot grasp their motives or their goal. He cannot go along with his country, because he fails to grasp his country's aims. The 10,000,000 functional illiterates in America today cannot read the Declaration of Independence or the Constitution of the United States. They will not get the significance of what they hear on the radio—their only contact with national and world affairs. It is primarily to this group of illiterates that international communism has directed, on a level which can be understood, its floods of propaganda, including among other things, distorted facts about America. Talk about 'democracy' and 'our way of life' is largely unintelligible to illiterates. They cannot understand democracy just by hearing about it. They cannot understand democracy even by living in it. It takes the written word to make the past, the present, and the future of democracy a vital and realistic truth. Our people must, down to the last man and woman, be able to understand fully the meaning of democracy if this Nation of free and independent people is to survive. Each individual must be equipped to use that fundamental tool, the written word."

The West Virginia Senator describes the operation of the proposed act as follows:

In order to make a concerted frontal attack upon the problem of adult illiteracy, a national program is needed. Such a program is proposed in the attached draft of a bill, "To assist the States in the removal of adult illiteracy by the development and maintenance of removal of special programs of basic elementary education for adults." This bill provides for a cooperative program of action as between the Office of Education, Federal Security Agency, and the State departments of education in the several States. It authorizes an appropriation of \$5,000,000 for fiscal 1949; rising to \$10,000,000 for fiscal 1950; \$15,000,000 in each fiscal year from 1951 through fiscal 1957; and decreasing to \$5,000,000 in 1958-59 when the program of Federal aid would terminate.

"Each State on which a State application had been received and approved by the Commissioner would be entitled to an allotment of Federal funds in the proportion that the number of adults in the State who had not completed the fifth grade of school, as reported by the Bureau of the Census, bears to the number of such adults in all of the States. The funds so allotted would be used under the direction and supervision of State departments of education for the purpose of stimulating the organization of classes for adults designed to develop the ability to read, write, speak and understand the English language, to perform elementary arithmetical computations, and to understand the main features of our constitutional republican form of government and of our American way of life. Funds might be used by the States in stimulation and support of the organization and conduct of classes of adult illiterates, for the training of teachers and supervisors for such classes, and for the fostering of research, experimentation and demonstration in educational institutions of improved methods and materials for use in such classes."

[From the Bluefield (W. V.) Sunset News of
June 19, 1948]

EDUCATION ACT

Senator KILGORE is sponsoring a bill with Senator MAGNUSON, Democrat of Washington, entitled "National Literacy Education Act of 1948," a bill in the words of the energetic West Virginia lawmaker, "to assist the States in the removal of adult illiteracy by the development and maintenance of special

programs of basic elementary education for adults and for other purposes."

The measure has no chance of passage at this session of Congress, but the facts which it sets forth are certainly worthy of study and remedial action is clearly needed. It sets a pattern for the future. Senator KILGORE declares that his measure offers a constructive, inexpensive solution to a problem that can only be described as a national disgrace.

"The extent of adult illiteracy in the United States is shocking," the Senator says, and he gives these facts to back up his statement:

"The 1940 census disclosed that there were more than 10,000,000 adults in the United States, 25 years of age and over, who were functionally illiterate, i. e., (1) who could not read and write at all, or (2) whose reading and writing ability was insufficient to be of practical use.

"The statement becomes more meaningful when made to read that there are more than 10,000,000 people who cannot read the newspapers, who cannot read printed directions of any kind, or who cannot pass the simplest literacy tests.

"The facts about illiteracy can be stated in still another way. One of every seven adults in the United States, 25 years of age and over, can read only with difficulty a label which says: 'Poison—for external use only.' One in every seven adults in the United States, 25 years of age and over, probably cannot read the word 'freedom' or spell the word 'peace.'

"During World War II, the Selective Service System found that 350,000 total illiterates made their mark with an X; 350,000 men, between the ages of 21 and 45, willing and ready to serve their country, actually sat down beside recording officers and had the fact legally certified that they were unable to sign for themselves. Of this number, 130,000 were white and 220,000 were Negroes.

"The Selective Service System also estimated that of 433,000 men liable to rejection because of functional illiteracy, at least 150,000 were physically able to serve in the Army, a loss of approximately 15 divisions."

"It is obvious then, that to make a frontal attack on the problem of adult illiteracy, a national program is needed, and such a program is proposed in the Kilgore bill.

"The measure would, in the words of the Senator, authorize 'an appropriation of \$5,000,000 for fiscal 1949; rising to \$10,000,000 for fiscal 1950; \$15,000,000 in each fiscal year from 1951 through fiscal 1957; and decreasing to \$5,000,000 in 1958-59, when the program of Federal aid would terminate.

"Each State on which a State application had been received and approved by the Commissioner would be entitled to an enrollment of Federal funds in the proportion that the number of adults in the State who had not completed the fifth grade of school, as reported by the Bureau of the Census, bears to the number of such adults in all of the States.

"The fund so allotted would be used under the direction or supervision of State departments of education for the purpose of stimulating the organization of classes for adults designed to develop the ability to read, write, speak and understand the English language, to perform elementary arithmetical computations, and to understand the main features of our constitutional republican form of government and of our American way of life.

"It should be noted that the plan does not contemplate a continuing program of Federal support or aid to the States for adult education, but rather a temporary 10-year program.

"Meanwhile," Senator KILGORE concludes, "it is urgently desirable that such efforts be undertaken to eliminate, insofar as possible, the present backlog of educational illiteracy resulting from previous educational neglect and underprivilege.

"Only by so doing, can we hope to develop to the full our manpower potential

for peace or for war; only by so doing, can we remove the drag on the body politic and our economy, resulting from widespread illiteracy; only by so doing, can we hope to present to all nations of the world an example of democracy in action which will be worthy of their emulation."

[From the St. Louis Star-Times]

THE BLOT OF ILLITERACY

Senator HARLEY KILGORE of West Virginia is thoroughly sound in his argument that this country's 10,000,000 illiterate adults constitute a problem which must be faced by the Federal Government. It is the same argument which applies in behalf of current efforts to provide Federal funds for improving the schools for children in backward States. Citizens who cannot read and write are a drag on our society at the national level as well as at the levels of the States and communities. Since experience has shown that the situation is not easily corrected when left to the States and communities, it behooves the Federal Government to interest itself.

Senator KILGORE proposed a Federal expenditure of \$125,000,000 over a 10-year period in cooperation with the States in an effort to provide rudimentary learning for men and women who did not get it at the normal school age.

During the last war it was learned how expensive illiteracy can be. The armed services were required to reject approximately 659,392 men for educational deficiency. Since it was difficult to fit many of these into industry and agriculture at places where they were most needed, they represented an immense waste of manpower in time of national crisis.

After June 1, 1943, the Army undertook to train illiterate inductees in special schools. The cost of this training, according to a Senate committee report, was from \$300 to \$600 a man. If the average for the 302,838 who passed through these schools was \$450, the total cost was approximately \$137,077,100, or some \$12,000,000 more than Senator KILGORE proposed to spend on a 10-year peacetime adult-education program.

But his proposal must be viewed as something besides the preparation of citizens to take their proper places in time of national emergency. It is much more than that, and so is the bigger program for Federal aid at the school-age level. Both plans envision the responsibility of the Federal Government for raising the general standards of citizenship and of extending the blessings of education to persons denied it under present circumstances.

Statistics showing that one out of every seven adults must be classed as illiterate are reason enough for trying a new approach. And the only approach that offers hope of real improvement is at the Federal level.

[From the Roane County (W. Va.) Reporter of June 10, 1948]

EDUCATIONAL NEEDS

The National Parent and Teacher Congress at its annual meeting in Cleveland, Ohio, endorsed several educational aims to improve the Nation's school system. The organization's program concerns itself chiefly with improved operation of schools.

Senator HARLEY M. KILGORE, in conjunction with Senators WARREN G. MAGNUSON and WAYNE MORSE, seeks to do something about the problem of improving the educational status of older people in the country who never had an opportunity to attend school.

The extent of adult illiteracy in the United States is appalling. Senator KILGORE's figures indicate more than 10,000,000 adults, 25 years of age or over, who cannot pass the simplest literacy test. This means that one of seven adults in the country can neither read nor write.

Selective service during World War II discovered 350,000 men could only make an "X" mark; at least 150,000 of them being otherwise physically able to join the armed forces. Illiteracy alone cost the country 15 divisions of fighting troops.

The surprising fact is that 4,200,000 of the Nation's illiterates are native-born whites. These people may have an exceptional native intelligence, but because they can neither read nor write, they remain only primitive people in a complex, modern civilization. To know there are three times as many illiterates as there are college graduates is shameful in such a land of opportunity.

Result of this investigation led to the introduction of the National Literacy Education Act of 1948. This proposes a matching Federal-State aid program for the next 10 years to reduce the Nation's illiteracy total through State-sponsored adult educational programs.

Senator KILGORE declares: "The man who does not understand is always the dangerous man. He cannot go along with his social group, because he cannot grasp their motives and goals. He cannot go along with his country, because he fails to grasp his country's aims. It is primarily to this group of illiterates that international communism has directed, on a level which can be understood, its flood of propaganda, including distorted facts about America."

One doesn't understand democracy just by hearing about it; nor does one understand by living it. It takes the written word to make the past, present, and future of democracy a vital and living truth.

Our people must, down to the last man and woman, be able to fully understand the meaning of democracy if this Nation of free and independent people is to survive. It requires the written word to bring full appreciation of opportunities.

Here is a pressing and serious problem. Roane County suffers because of this unfortunate condition. Voters' registration cards indicate the situation. Unless our people can understand, we still are not offering a full life to individuals of our country.

The Mundt Bill

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a telegram regarding the Mundt bill which I have received from the dean of my law school. I think the telegram gives one of the most succinct and clear statements regarding that bill that I have ever read.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SEATTLE, WASH., June 18, 1948.

Senator WARREN G. MAGNUSON,
Senate Office Building,

Washington, D. C.:

I congratulate you on your public statement on the Mundt bill quoted in the Seattle Times today. While I may not follow you to the extent of saying that the bill would be unconstitutional because I fear the courts at this juncture might hold otherwise on the

will be held high which will cause big production throughout the world and eventually a debacle.

Congress certainly should look into the Government grain buying program at this time and see that it does not buy to hold prices up or force prices up. The people abroad will take whatever we give them on a gratis basis just as long as we give it to them, but with their crops back to normal we should be able to stop this at once and let prices in this country go down so that living costs go down which is what we need above everything else at this time. The continued spiral of increased wages on account of increased living costs must be stopped, and now is the time to stop it by stopping the Government buying of foodstuffs as this is not necessary because of the normal crops abroad. For your information, a cable was received from Italy today by one of the members here stating that barley harvest was starting there. This means that wheat harvest is only a few weeks away in that country, which means that the other European countries will be harvesting their crops in a few weeks, which should eliminate any necessity of further grain shipments from this country. I am a raiser of both grain and cattle but I am not in favor of the present high prices as I believe in the long run they will prove detrimental to we producers.

Therefore, will appreciate it if you will continue your efforts to control this Government food buying program and hold it down to the absolute minimum amount.

Yours very truly,

HAROLD A. MERRILL.

Mr. Speaker, is it not time that we restrict Government wheat purchases in view of the fact that grain crops are virtually normal in the countries to which we are about to export our own wheat? I also include in these remarks excerpts from market letters furnished by Mr. Merrill which emphasize the excellent crop prospects abroad:

MAY 25, 1948.

The Government continues to take sizeable quantities, apparently greatly in excess of its announced export goal of 402,000,000 bushels. Last week CCC bought 8,499,295 bushels of wheat and 504,753 bushels of flour in wheat equivalent, and this continued buying suggests either an effort to bolster prices or a further raise in the export quota. The latter seems unnecessary in view of the excellent new crop prospects abroad. Yet the authorizations for the first quarter operations of ECA demonstrate the emphasis being placed on foodstuffs. Washington advices indicate that the estimates of European requirements of other goods under ECA have been heavily overstated by the State Department and that American shipments abroad under ECA will fall way below the appropriations allotted for the first quarter of operations.

JUNE 14, 1948.

The executive assistant to the Secretary of Agriculture, Nathan Koenig, in an address in New Jersey, said that western Europe's crop prospects have improved to a point where United States shipments of grain, beginning July 1, will probably be reduced about 20 percent below those of last year and that shipments of fats and oils may also be cut. He called attention to the survey made by the Department of Agriculture that shows that broad grain production in ERP countries is expected to be less than 2 percent below prewar. While coarse grain production is expected to run 3 percent above the prewar level.

JUNE 15, 1948.

The wheat that is being sold is going largely to the Government which last week pur-

chased 11,642,368 bushels of wheat and 1,777,090 bushels of flour in wheat equivalent, a total of close to 13,500,000 bushels. Much of the wheat being harvested in Oklahoma is moving toward the gulf rather than to Kansas City, its normal outlet, because of the attractive prices being paid by CCC for wheat in that position.

JUNE 16, 1948.

The CCC advanced their buying price to 2.29½ for Chicago July, up 2½ cents from yesterday, but the basis for June and July 15 delivery at the Gulf and 17 cents over the June delivery at Philadelphia was unchanged. Considerable attention was paid to a statement by the Secretary of Agriculture, admitting that Government purchases would probably tend to advance food prices in this country. The necessity of such buying is questioned by trade interests and many Members of Congress and this doubt will be intensified by a report current near the close that France had failed to accept offerings of flour from this country on the ground that they had enough wheat of their own to supply them.

Political Side-stepping

EXTENSION OF REMARKS OF HON. MERLIN HULL

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 16, 1948

Mr. HULL. Mr. Speaker, after 18 months of the present Congress, the Committee on Ways and Means has reported a bill to add 3,500,000 people to the rolls of social security. Whatever may be its merits and its shortcomings, neither will be dwelt upon at any length in the closing hours of Congress. It will not pass both Houses of Congress. No opportunity will be offered for change or amendment. It will be whisked to the Senate where it will be quietly pigeon holed and the measure will cease to be. Nobody will be added to the rolls of social security. Nobody will be benefited by the committee's action. Like many other important problems awaiting consideration it will end as unfinished business.

There is no reasonable excuse for the failure of Congress to take up and solve the question of assistance for the aged, the blind, and orphaned children. For more than a dozen years honest and earnest men have urged congressional action only to be denied the privilege of a hearing at which they and their constituents might appear and exercise their rights to present their views before the committees. The Townsend organizations, representing millions of good old people, have sought for more than a dozen years to have Congress consider their plan and vote upon it, without success. The thousands of lobbyists which appear before committees of every Congress are heard, no matter what special interests they represent. Only the old folks who have helped make our country great, whose lives have been spent in aiding its progress and development, are thus discriminated against. Now another Congress is about to end, and with

the same record for disappointment to the aged.

In their endeavors to obtain recognition in advancing the just demands of the older folks, 174 Members of the House have signed a discharge petition to bring the Townsend bill to the floor, and thus open up for discussion all the measures now pending before the committee. Under the rules of the House, 218 signatures are necessary to complete the petition.

But the fault lies not in the earnest endeavors of the 174 representatives who have labored so consistently to bring about the desired results. It lies with those in power who refused consideration and the many more who refused to sign the petition from lack of interest in the problem.

The fight will go on. The cause of the aged and the blind is just. It must eventually win not only the recognition of Congress but the passage of legislation which will bring relief.

The cause not only concerns those drawing the meager and insufficient allowances now provided by the Federal, State, and county governments. State and county resources are proving insufficient to meet the increasing demands for relief. A Federal law providing real relief is necessary.

Our Federal Government has given away \$20,000,000,000 for postwar relief to European and other foreign countries. Congress has authorized the expenditure of \$17,000,000,000 more. For the next fiscal year our defense program will cost another \$20,000,000,000. With all such enormous allowances of funds of our taxpayers, Congress fails to even consider what should be a fair support allowance for its own aged people.

It is high time that Congress turned its attention to the problems of our people and to stop squandering billions abroad, including many millions to kings and their corrupt courts and agencies.

Work of House District Committee

EXTENSION OF REMARKS OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BEALL. Mr. Speaker, as chairman of the Public Service Subcommittee of the House District Committee, I submit the following, which is a résumé of the work done by the committee.

I am also submitting a list of the bills introduced by me and the action taken on legislation affecting the District of Columbia.

Twenty-six bills were referred to the Public Service, Streets, and Traffic Subcommittee. Of this number, seven were duplicated or superseded by bills resulting from hearings. Thus, there were before this subcommittee 19 bills for action; all were considered; public hearings were held on 17.

H. R. 4849, the bill covering development of the Arizona Freeway, was heard and an inspection trip was taken. However, an

agreement was reached by the Commissioners and the Department of the Interior which was filed with the Committee that made further action unnecessary.

H. R. 2471. A bill which contemplated repayment to the District by the Interior Department for uniforms of Park Police, was vetoed.

Of the remaining 15 bills, 12 have passed the House, and 10 have become public law.

Bills which were referred to the Public Service, Streets, and Traffic Subcommittee, District of Columbia Committee, Eightieth Congress:

H. R. 1624: Private vehicles for police inspectors. Public Law 114.

H. R. 1689: Firemen, three-platoon system.

H. R. 1997: Firemen and policemen, seniority for veterans. Public Law 154.

H. R. 2049: Credit police and firemen for military service. (Longevity.)

H. R. 2053: Merge Park Police.

H. R. 2394: Reinstate Policeman Hall.

H. R. 2470: Police Band. Public Law 175.

H. R. 2471: Park Police, reimburse, District of Columbia uniforms. Pocket veto.

H. R. 2072: Police benefits for retirement (military service).

H. R. 2947: White House Police.

H. R. 3433: Platoon—two systems. Not yet numbered.

H. R. 3978: Temporary promotion of lieutenants. Reported in Senate.

H. R. 4572: Learners, permits (drivers). Public Law 487.

H. R. 4849: Arizona Freeway. Agreement signed by Interior and Commissioners.

H. R. 5047: Police, fire, salary increase. Reported in Senate.

H. R. 5451: Relief, L. B. Sank.

H. R. 5592: Eastern Avenue, damages.

H. R. 6075: Firemen, retired.

H. R. 6295: Pensions for police and fire widows. Not yet numbered.

H. R. 6450: Parking facilities. Same as S. 2040. Not yet numbered.

H. R. 6522: Weed removal. No action taken.

H. R. 6533: House Joint Resolution 421: Parking-lot facilities. Not yet numbered.

S. 924: Policemen and firemen's relief fund. Public Law 205.

S. 1022: White House Police. Public Law 90.

S. 2040: Not yet numbered.

The Honorable J. GLENN BEALL introduced 30 bills which were referred to the District of Columbia Committee, 11 of which have been reported by the Senate District Committee, 5 have received public law numbers, 6 are presently pending.

Of the 30 bills, 6 were duplication. The similar bill being introduced later following hearings. Four of the bills, while reported favorably by the subcommittee and full committee, had Senate bills passed in lieu.

BILLS INTRODUCED BY HON. J. GLENN BEALL.

H. R. 1688: Investment of trust funds.

H. R. 1689: Three-platoon system.

H. R. 1969: Barbers' hours.

H. R. 2053: Abolish Park Police.

H. R. 2072: Drinking straws.

H. R. 2315: Common trust funds.

H. R. 2470: Police Board. Public Law 175.

H. R. 2471: Abolish Park Police. Vetoed.

H. R. 2947: White House Police Force. S. 1022 passed in lieu. Public Law 90.

H. R. 3208: Nursery schools. S. 751 passed in lieu. Public Law 123.

H. R. 3238: Laundry loss.

H. R. 3433: Two-platoon system. Not yet numbered.

H. R. 3978: Temporary rank advancement for police lieutenants. Reported in Senate.

H. R. 4572: Learners permits (drivers). Public Law 487.

H. R. 5047: Police salary bill. Reported in Senate.

Footnotes at end of speech.

H. R. 5184: School tuition—nonresidents.

H. R. 5563: Business tax repeal.

H. R. 5591: Business tax repeal. S. 2409 passed in lieu. Public Law 509.

H. R. 5592: Eastern Avenue condemnation. S. 2040 passed in lieu. Not yet numbered.

H. R. 5737: Teachers' salary.

H. R. 5919: Business tax repeal.

H. R. 6050: Business tax repeal.

H. R. 6075: Retired firemen tax exemption.

H. R. 6119: Public utilities study—bus routes.

H. R. 6295: Widows (police and firemen) pensions. Reported in Senate.

H. R. 6296: Emergency powers for Commissioners.

H. R. 6522: Weed removal.

H. R. 6533: Widows (police and firemen) pensions.

H. R. 6723: Prohibit purchase of beer on credit.

H. J. Res. 421: Investigate parking lots. Not yet numbered.

¹ See H. R. 3433.

² See S. 924.

³ See H. R. 2471.

⁴ See S. 924.

⁵ See S. 1022.

⁶ See S. 2040.

⁷ See H. R. 6295.

⁸ See H. R. 3433.

⁹ See H. R. 2471.

¹⁰ See S. 629.

¹¹ See H. R. 2409.

¹² See H. R. 2409.

¹³ See H. R. 6295.

Hon. George A. Dondero

EXTENSION OF REMARKS

OF

HON. J. HARRY MCGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MCGREGOR. Mr. Speaker, I desire to pay my respects to the distinguished chairman of the Public Works Committee, the Honorable GEORGE A. DONDERO, of Michigan, under whom it is my privilege to serve as a member of that committee as well as chairman of the Subcommittee on Public Buildings and Grounds.

In this period of recognized need for improvements in the various phases of our Federal works program, and with the realization that construction costs are nearly prohibitive, I fully realize the tremendous pressure that has been placed on the chairman of our committee. Congressman DONDERO's record will justify the statement that he is one who believes in economy and yet one who recognizes the needs in the various areas of our country. Even in these trying times, he has been most courteous and considerate, not only to witnesses before the committee for and against legislation, but has always recognized the rights of the individual members and has always favored us with the opportunity to express ourselves whether in accord or in discord with his own views as chairman.

Congressman DONDERO's record, as chairman of the Public Works Committee, in this first Congress under our reorganization plan, will be considered outstanding even in years to come.

Report on the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MILLER of Nebraska. Mr. Speaker, it has been my practice in the closing days of a session to report to the people of my district the things the Congress has accomplished and the position I have taken on the issues that have come before it. The Fourth District of Nebraska is primarily agricultural and is naturally concerned with the things Congress has done to encourage and make possible a healthy agricultural economy. This interest is not wholly selfish since no country has ever prospered when its agricultural economy is depressed. A prosperous agriculture brings prosperity to every phase of a nation's economy. Recognizing this fact the Republican majority in the Eightieth Congress has promoted a strong program for the development of our great agricultural resources. Needless to say, I have aggressively supported this sound program.

CONSERVATION

Our basic resource is the soil. Before the war erosion was making heavy inroads on our soil and during the war we further seriously depleted our agricultural lands in attempting to feed the peoples of the world. The need to repair the damage is obvious and Congress has met this need by appropriating increasing amounts to furnish technical aids and payment for sound soil-saving practices. It seems to me that the future of our country depends upon how we conserve and utilize our soil and we must of necessity produce more and more to feed our increasing population. To do this we must have a program to conserve, preserve, improve, and properly use our land, water, and other resources. This will bring added wealth to our country.

To maintain our standard of living and meet the demands of the increasing population we must bring into cultivation our arid lands through irrigation and reclamation. The Congress must be liberal in providing funds for expanding this program. The people of Nebraska have been particularly cheered by the support Congress has given the coordinated plan for the development of the great Missouri Valley known as the Pick-Sloan plan. While we in this valley will derive great benefits the whole country will profit from this development.

Mr. Speaker, I was born on a farm homestead in Nebraska and lived all of my early life there. My father, at 85, still lives on this farm. I can tell you with some degree of understanding that the farmers of this country are the real backbone of our economy. Farm economy must be kept healthy or the rest of the country will be sick. Farmers do need good roads, development of REA, soil conservation, and a price for the things they produce which reflects fairness in comparison with the things they must buy. It is to be noted that manu-

facturers are pretty well protected in their price.

RURAL ELECTRIFICATION

Mr. Speaker, I am indeed pleased that this Eightieth Congress has seen fit to give liberal support to our REA program. This Congress has appropriated \$800,000,000 for REA. This is 42 percent of all the funds voted in the 15 years of its history. No previous Congress has voted as much. I am pleased to state that the record of repayment of loans to the REA districts is impressive. It must be remembered that this money is being repaid in principal and interest. It is so different from the moneys we spend in the far corners of the world. Development of REA and our resources adds great wealth to the whole country. There has been some lack of generating facilities and inability to get material, which has held up some of the REA and flood-control programs. I believe this condition is now changing and this fine development can go forward. The initial appropriations were made in the Eightieth Congress for a high-power line from the Kortess Dam in Wyoming, to Gering, Bridgeport, Sidney, Alliance, and North Platte, Nebr. This continues on to Sterling, Colo., and will connect up with the Big Thompson project in Colorado. Appropriations are also included to begin work on the line from O'Neill, Nebr., to the Fort Randall Dam in South Dakota. The appropriations carry money for the needed substations to distribute this electric energy throughout Nebraska. It is interesting to note that 16 of the 22 REA districts in Nebraska serve as a whole or in part residents of the Fourth Nebraska District.

FARM PRICE SUPPORTS

The program for supporting the price of leading agricultural products on a 90-percent of parity basis has been extended for another 2 years. I introduced a bill for this purpose early in the session. While some consumer groups may complain that this program adds to the cost of living let me point out the great spread between the price the producer gets for what he raises and the price the consumer pays. I am convinced that this spread is excessive and have constantly urged a complete investigation of this situation. The farmer needs a parity price which will include labor and all production costs.

FOOT-AND-MOUTH DISEASE

An ominous threat has been hanging over this country—a catastrophe that might easily wipe out our meat supply. I refer to the dread foot-and-mouth disease that has rapidly spread through cattle herds in central Mexico and was threatening to spread to the great herds in northern Mexico. If it did it would be almost impossible to keep it from infecting the herds in our own country. Fortunately, the present epidemic seems to have reached its peak and, with the aid this Congress has provided, seems to be receding. Although the danger seems to be passing right now we can expect another outbreak unless other means are found to combat it. You, as Speaker of the House, made it possible for me to make two trips to Mexico to inspect this

disease in that country. I have from time to time made suggestions to this Congress about what should be done to keep foot-and-mouth disease out of this country. I was happy to have had a small part in getting a laboratory established which will engage in research on this problem. I am convinced that the scientists can discover a vaccine which will not only cure but prevent the disease. It is interesting to note, Mr. Speaker, that the Fourth Nebraska District has the largest livestock population of any district in the United States. It behooves this Congress to work in close harmony with the cattle industry and to do everything possible to wipe this disease from our continent.

RECIPROCAL TRADE

Another issue coming before the Congress with far-reaching implications for agriculture is the extension of the Reciprocal Trade Agreements Act. Under the Roosevelt and Truman administrations, a large percentage of the items on which tariffs were reduced were agricultural products that furnish direct competition to our own. For that reason I supported the bill to extend the act for 1 year with the provision for transferring the authority to study and report the effect of the proposed changes from a committee within the Department of State to the United States Tariff Commission. I realize, Mr. Speaker, that we must have some trade, but this should not be a one-way street with the farm products of the Nation taking the brunt in all the tariff reductions. Other countries can produce food much cheaper than we can. The farmer needs protection just as much as the big industries need protection.

EUROPEAN RECOVERY PLAN

On the urgent insistence of the Truman administration the Eightieth Congress passed the so-called European recovery program which practically obligates this country to spend \$17,000,000,000 of the taxpayers' money over a period of 4 years for the aid of 16 European nations. While, as a result of the propaganda methods used to sell the idea to the American people, it would have been much easier to support this legislation, I opposed and voted against it as did all members of the Nebraska delegation in Congress. My principal reason for doing so was the fact that with the help we had previously given them and through their own effort these nations have achieved more than 90 percent recovery of their national economy as of the year 1938. Most of the money to be immediately provided by us would be used by these nations to bolster their socialist experiments. Later, the money would be used to reestablish their armed strength. It seems to me to be wholly reprehensible to take in taxes from the people of this country the money they have earned under our system of individual enterprise to support a system in direct contrast to our own and if it achieves recovery, is bound to compete with us in foreign markets through Government-owned cartels.

The items to be procured from this country are already in short supply and will inevitably raise prices to our consumers and make it more difficult to get

the things they need. I have supported aid in the form of food, clothing, and medicine to the needy in Europe.

I am convinced, Mr. Speaker, that you cannot buy friendship with the money. When this program stops, these countries may well hate us for upsetting their own economy. I have been long concerned about this country bleeding itself white. We must remain strong at home if we are to meet our own needs and part of those of the world. We cannot continue to waste the resources of our own country all over the world, without the promise of a fair return. It just is not fair to the citizens of our own country to send so much material to Europe when those same materials are in short supply at home.

LABOR LAWS

Mr. Speaker, I supported the passage of the Taft-Hartley law. I did believe there was a great need for a balancing of power between industry and the powerful labor leaders who held the workingman in their grasp. The law has been in operation for some time. The grave predictions of the labor czars have not come true. The laboring man is given more freedom than he ever had before. The law brings about equality and best of all it does help to protect the public. I am sure the great majority of workers approve the law.

RETURN TO MY DISTRICT

Mr. Speaker, as is always the case the Eightieth Congress has had to adjourn leaving much unfinished work. Some of the action taken in haste in the closing week does not meet with my approval. I expect to go back home this summer and visit in every one of the 38 counties in my district. I like to meet and talk with the people. I get new ideas and a fresh viewpoint. It renews my faith in the common sense and good judgment of the people of Nebraska. It has been impossible for me to discuss all the legislation that has come before us. Most of it will be of interest to some individuals and groups. I will be glad to answer their questions for they have a right to know how their representative voted on them. Then they will be the judge as to whether or not they want me to come back here to represent them in the Eighty-first Congress. If they send me back I will continue to follow the pattern I have laid down to guide my action in the three Congresses I have served them. The record will show that I am among the upper 5 percent of those who answer all roll calls. I have studied the legislation, listened to the debate and then voted the way I felt would be for the best interests of all the people. I may have made some mistakes but if so they have been of the head and not of the heart.

I have great hopes that our country will continue to be a strong Nation. We have the resources, the factories, the manpower, and the know-how. There is no reason why we cannot get our economic machine in balance. Our people should go on to a happy and contented life. We should be able to build a peaceful world for the enjoyment of ourselves and our children.

Enrollment at the United States Naval Academy at Annapolis

EXTENSION OF REMARKS

OF

HON. ALBERT L. REEVES, JR.

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of
Thursday, June 17), 1948

Mr. REEVES. Mr. Speaker, not long ago my attention was called to an editorial entitled "A Challenge to Service Schools," which summarized the criticisms directed at the United States Military and Naval Academies because of their short enrollments and unfilled vacancies. Under existing procedure, in a large measure the fact that there are unfilled vacancies in classes at the Academies may very well be the responsibility of Congress itself. The editorial in question was inspired by an article appearing in the October 1947 issue of the Atlantic Monthly, written by a midshipman at the Naval Academy who had resigned in dissatisfaction.

I sent a copy of the editorial to the Honorable John L. Sullivan, Secretary of the Navy, requesting his comments. His replies, and that of Admiral Holloway, Superintendent of the Academy, so completely disposed of the criticisms which had been expressed that I am including both letters as a portion of these remarks. The letters are as follows:

THE SECRETARY OF THE NAVY,
Washington, December 9, 1947.

HON. ALBERT L. REEVES, JR.,
House of Representatives,
Washington, D. C.

DEAR MR. REEVES: The following will amplify my previous acknowledgment of your letter of October 6, 1947.

Recent publicity in regard to the Naval Academy which resulted from the article in the October issue of the Atlantic Monthly has received the thoughtful consideration of the Navy Department. Your letter expressing concern over this matter evidences sincere interest in the Navy and is much appreciated.

The number of midshipmen at the Naval Academy authorized by law is 4,382 (excluding 20 authorized from the American Republics). However due to attrition and other causes, it would be impossible ever to attain the above number. The present enrollment of 2,865 is close to the maximum overload capacity of the Naval Academy. The normal capacity is 2,500, which has been increased by putting three bunks in double rooms; the maximum that can be accommodated by such doubling up is approximately 3,100. The conditions for study under these circumstances are not as good as are considered desirable. In view of the existing deficiencies in capacity and an expected enrollment of 3,500 midshipmen by 1950, the Superintendent of the Naval Academy has submitted plans to remedy the situation, which will be submitted to the Congress. These plans are now under study in the office of the Chief of Naval Operations.

When the existing deficiencies have been liquidated, it will be possible to increase the number of midshipmen without undue crowding. It is believed that existing legislation covering the presently authorized number of appointments is sufficient for the foreseeable future. Therefore, the Navy Department does not plan at this time to submit recommendations to the Congress for

legislation to increase the number of appointments.

Adverse publicity concerning the Naval Academy has been aimed at hazing, the curriculum, the instructional staff, and regulations and traditions.

Neither the Navy Department nor the Naval Academy approves the practice of hazing. From time to time midshipmen have been dismissed from the Academy for the commission of this offense. Upon becoming the Superintendent of the Naval Academy in January 1947, Rear Adm. James L. Holloway, United States Navy, took positive steps to eliminate the hazing. In connection with the Atlantic article, Admiral Holloway said on October 23, 1947, "I will state categorically that the practice of hazing is nonexistent at the Naval Academy now. It is contrary to every principle and policy associated with my administration of the Naval Academy. This policy has the full support of the officers and instructors on duty here and the positive and dynamic support of the first, or senior class, at the Naval Academy." Further, the basic principles of the senior class policy reiterates this statement: "We, the members of the class of 1948-B intend to develop discipline based upon mutual respect. * * * We hold that instruction by example is vital to the organization and the administration of any military unit."

The curriculum of the Naval Academy has been revised and these revisions were put into effect at the beginning of the 1947 academic year. This curriculum is designed to give a broad general education strongly pointed to naval life. It hews closely to the fundamentals of the humanities, the sciences, and a basic knowledge of the naval profession. This curriculum represents the concerted efforts of well-qualified naval and civilian educators. Dr. A. John Bartky, the dean of education of Stanford University, a man well known and highly respected in the educational field, has said of the Naval Academy's new course of study, "It would be exceedingly difficult to develop a curriculum that would satisfy all midshipmen's and the Navy's needs any better than the 1947 Naval Academy curriculum does."

The faculty at the Naval Academy is composed of 40 percent civilians and 60 percent naval officers. This percentage compares favorably with that of the ratio of cultural instructors to technical instructors in the best professional schools of America. The Board of Visitors (1947) noted with approval the strengthening of the teaching force at the Naval Academy by the addition of well-qualified civilian instructors and by the careful selection by the Bureau of Naval Personnel of commissioned officers as teachers. Every effort is being made by the Navy Department and by the Superintendent of the Naval Academy to insure that the best educational methods are used at the Academy. The Naval Academy is kept abreast of modern educational techniques in two ways: First, by bringing outstanding educators to Annapolis for observation of the instructional methods in use and for conferences and critiques thereof, and secondly, by the assignment to the Naval Academy of certain naval officers who have had postgraduate instruction at civilian educational institutions.

The paramount aim of civilian schools and colleges is education for democracy. Thus, democratic practices are evidenced on every hand in school systems. A military organization in a democratic state zealously guards the integrity of the individual and the sacredness of personality, but it must nonetheless continue to be a military organization. Strategy is formulated at the highest level, rather than by the majority, and tactics are executed by those who may not know why the move is being made but who have implicit confidence in and respect for their leaders. Criticism of the Naval Academy as the citadel of a tyrannical set of traditions

and needlessly irksome regulations stems from failure to understand this fundamental difference between civilian and military schools. The mission of the service academies differs from that of civilian schools, and practices must be consistent with the mission. Without violation of personality, the midshipman is subjected to strict discipline in which implicit obedience is the order of the day. He is deliberately plunged into a highly military pattern of living with all the traditions and customs that go with it.

Dr. Bartky discusses the relationships of a military organization to a democracy in the following words: "We insist that the primary objective for all education shall be that of preparing the individual to live in our democratic society. Leaders of a military society must be as thoroughly familiar with the peculiarities of that society as leaders in a democracy. There is only one way to learn about a cultural pattern, and that is to live it. Hence, it becomes the obligation of institutions that prepare military leaders, to provide every opportunity to them to live a military life."

"This does not mean that the faculty at Annapolis avoid any reference to democratic ideals and procedures. It is recognized that all naval officers are American citizens, and as such have responsibilities that transcend their military obligations. An examination of the curriculum will reveal that the Academy offers many experiences that parallel those included in citizenship training for civilian schools."

Tables 1 and 2, attached as an enclosure, show by percentages of the student body the voluntary resignations of midshipmen in the years preceding, during, and immediately following the two World Wars. Although there has been a sharp rise in the number of resignations following both wars, it is noted that the percentages following the recent war are considerably less than those following World War I.

I trust that the above information will clarify any questions which you may have had concerning either present operation of the Naval Academy or the plans under consideration for filling vacancies. You are extended a most cordial invitation to visit the Naval Academy at your convenience and will be accorded every courtesy.

With particular reference to sentiment created by the article in the Atlantic Monthly, authored by former Midshipman Ralph Smith, I am enclosing copies of letters written by naval officers which I think you will find of interest.

I would not send you a letter of this length if I did not appreciate your deep interest in the matters discussed.

Sincerely yours,

JOHN L. SULLIVAN.

TABLE 1.—Voluntary resignations, World War I

	Percent
1915.....	9
1916.....	8
1917.....	9
1918.....	8
1919.....	4
1920.....	9
1921.....	9

TABLE 2.—Voluntary resignations, World War II

	Percent
1938.....	0.7
1939.....	.6
1940.....	.6
1941.....	.5
1942.....	.2
1943.....	.4
1944.....	.4
1945.....	.8
1946.....	6.0
1947.....	5.1

ical care. This field of regulation and control would be far more difficult than any other large field previously entered by the Government, and past experience with governmental regulations and control in the United States causes doubt as to whether it encourages initiative and development.

10. The problem of eliminating politics from Government administration is extremely difficult. It does not seem probable that politics could be eliminated from medical care supplied under a governmental system.

11. Compulsory insurance would inject the Government into the relationship between practitioner and patient. A real danger exists that Government actions would impair that relationship and hence the quality of medical care.

12. The administration of compulsory insurance would require thousands of Government employees for accounting, auditing, and inspection, and investigation.

13. The cost of medical care presumably would increase because of (a) administrative expenses; (b) the tendency to insured persons to make unnecessary and often unreasonable demands upon the medical care services; and (c) the tendency of some practitioners and agencies to take advantage of the system for their own financial advantage.

14. The adoption of compulsory insurance would not immediately make available adequate service for all, because there are not at present the facilities nor a sufficient number of trained and experienced physicians, dentists, and nurses to meet the demand which would result from compulsory insurance.

15. Proposals for compulsory insurance provide for payment of practitioners under one or all of three methods: (a) fee for service, (b) per capita, or (c) salary. Use of the fee-for-service device represents the minimum degree of socialization, but it is administratively difficult. Administrative difficulties would probably result in the adoption of the per capita system which represents a higher degree of socialization or even in the salary system which represents practically complete socialization. It seems questionable whether a country which once embarks on compulsory insurance can turn back but must attempt to remedy defects by more complete government control and administration.

RECOMMENDATIONS

1. For the present, in our judgment, the National Government would be wise to leave to the individual States the question of whether compulsory health insurance is to be adopted or whether the provision of professional services is to be left in the realm of free enterprise. It seems highly probable that in many communities the intelligent cooperation of consumers and practitioners will develop satisfactory arrangements that remain subject to their own control without National Government administration. It seems highly improbable that this experimentation—possible under our Federal form of government—will ultimately develop a single pattern that is applicable to all sections of the country and is desired by a large majority of the people. If such a pattern should develop, it will doubtless then be adopted with a great degree of unanimity. If compulsory insurance should be adopted now by a narrow vote in the Congress, thousands of persons who are opposed to it would start hostile to the whole undertaking.

2. For the time being the National Government and many of the State governments may well devote their resources and energies to:

- (a) Research and developments in the fields of public health;
- (b) Health education at the school level;
- (c) Teaching of preventive medicine;

(d) Assisting in the acquisition of physical facilities and training of personnel.

(e) Providing systematic care for the indigent and the medically indigent. In some States careful surveys of existing conditions will be required to furnish the basis for developing a comprehensive and coordinated program.

3. From the standpoint of public relations, governments might be well advised to leave adult educational campaigns for the control and prevention of disease to the national, State, and local voluntary organizations which have been able to enlist the active cooperation of leading laymen in most sections of the country. It must be remembered that good health is not exclusively a matter of medical care; it also impinges upon causative factors that are nonmedical, such as food, shelter, vice and crime, transportation, and industry. Its maintenance depends also upon the intelligence, interest, and cooperation of individuals, families, and local communities.

These recommendations are not widely at variance with those of the majority of the Committee on the Costs of Medical Care, arrived at in 1932 after a comprehensive study. The report of the committee says:

"The majority of the committee does not endorse the recommendation which would make health insurance a legal requirement for certain sections of the population. These members realize that such a step may ultimately be necessary and desirable in some States, but they believe that for most States and probably for almost all of them at the present time, it is much more desirable (a) to encourage voluntary measures for protection against wage loss during sickness, and (b) to develop voluntary insurance for medical care in conjunction with group practice, with hospital service, and with the related measures recommended on the preceding pages. They are of the opinion that the difficulties of these plans can be controlled by a combination of professional and community effort, and that these plans hold the promise of steady extension in scope of service and in proportion of the population served. These members believe that the various payment plans (aside from compulsory insurance) if fully carried out, would: (1) Largely solve the problem of hospital costs which constitute about 50 percent of the average family expenditure for the care of sickness; (2) provide adequately for many rural areas in which serious deficiencies of facilities exist at present; (3) make more nearly adequate provision than exists at present for the "indigent" and for the care of certain diseases of public importance; and (4) provide, through voluntary cooperative insurance * * * medical service to a majority of the 70,000,000 people living in industrial communities and in cities." (Medical Care for the American People, the final report of the Committee on the Costs of Medical Care, October 31, 1932, p. 130.)

The years since 1932 have witnessed—

1. A great growth in voluntary insurance both for hospitalization and for medical services.

2. State experimentation with compulsory health insurance in Rhode Island and California.

3. A growing willingness on the part of practitioners to cooperate in the development of prepayment plans and other devices to enable patients who so desire to regularize their payments for medical care.

4. A profound change in the amount and distribution of the earnings of the American people. This change greatly reduces the number who cannot afford adequate medical care if they desire to purchase it.

The experience of the United States since 1932 seems to have demonstrated the wisdom of these recommendations of the ma-

jority of the members of the Committee on the Costs of Medical Care. It would seem unwise at this time to substitute for these developments a system of compulsory health insurance by national law which would have the unfortunate tendency to freeze policies and eventually retard medical progress.

Hon. Chet Holifield, of California

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. McCORMACK. Mr. Speaker, my colleague, Congressman CHET HOLIFIELD, of California, has served the Nineteenth District of California as their United States Representative for the past 6 years. During that period of time he has risen to important standing on two of the most important committees of the House, the Committee on Expenditures in the Executive Departments and the Joint Committee on Atomic Energy of the House and Senate.

The gentleman from California, CHET HOLIFIELD, not only votes right on the issues before the House, but he is a fighting, courageous, liberal who mixes in the floor debates without fear of reactionary opponents. As a true American and a liberal Democrat, he abhors and condemns communism, but he has not let fear of "witch hunters" and professional "Red baiters" scare him. He is one of the most vigorous defenders of the constitutional privileges and rights contained in the Bill of Rights. His fight against the abusive practices of the Committee on Un-American Activities, especially in their persecution of Dr. Condon has caused him to receive Nation-wide favorable publicity.

A Los Angeles metropolitan newspaper, the Daily News, recently carried a feature article on the gentleman from California, CHET HOLIFIELD. The article was written by Frank Rogers, their Washington correspondent. Under unanimous consent, I include it herewith as part of my remarks:

SINCERITY AND SUCCESS STAMP HOLIFIELD IN CONGRESS

(By Frank Rogers)

WASHINGTON, May 20.—Representative CHET HOLIFIELD's 6 years in Congress have proven what a small-businessman with no political experience can do in Washington if he works hard and studies hard.

HOLIFIELD would probably be the last person to call himself a "self-made man," but his colleagues in the House of Representatives think of him just exactly that.

The Congressman, who is a Democrat, and who represents the East Los Angeles area and such communities as Montebello and Huntington Park, left a thriving haberdashery business in Montebello to run for Congress in 1942.

Just as he had built up his clothing-store business from nothing, so did he build up his reputation as a hard-working, energetic, and militant Congressman, whose willingness to debate important issues with the best of them is highly respected.

But the biggest reward HOLIFIELD has reaped from his hard work is the respected position he holds as a member of the Joint Congressional Committee on Atomic Energy. No sooner had the first A-bomb fallen on Hiroshima than HOLIFIELD, with characteristic forcefulness, decided that the bomb represented an issue with which Congress would have to deal intelligently.

He knew no more about splitting an atom, probably, than did the Hiroshima people who never knew what hit them. But he found out. He locked himself in his office for hours on end, reading everything there then was to read about the subject—becoming one of the first Congressmen to read the now famous Smyth report from cover to cover.

As a member of the House Military Affairs Committee he was able to interview top officers in the Army who were running the atomic show. He became one of the leaders of the successful opposition to allowing the Army to continue its control of the atomic-energy program—mostly because many of the most famous atomic scientists came to his office to plead for civilian control of this new Pandora's box.

HOLIFIELD's intensive study next paid off in a big way when President Truman named him as one of the few Congressmen on the President's Special Evaluation Committee on the Atomic Bomb Tests at Bikini in 1946.

His appointment to the Joint Committee on Atomic Energy followed soon after the Eightieth Congress convened. Only 8 of the 435 Members of the House were selected for this choice committee. Representative CARL HINSHAW, of Pasadena, is another.

Representative HOLIFIELD almost never expresses his stand on an important issue by merely voting for or against it. He is always willing to debate the question, even when he knows he is part of a small minority.

His willingness to defend the liberal—and often the losing—cause has made him the object of both attack and applause by newspapers and public speakers far removed from his home district. But the record of the three elections in which he has participated indicates the folks at home are satisfied.

On his first time out, in 1942, HOLIFIELD was elected by a margin of 14,000 votes. Two years later his margin was 36,000, and in 1946, while the Republican tide was engulfing many of his Democratic colleague, HOLIFIELD was returned to office with nearly 50,000 votes to spare.

HOLIFIELD is probably one of those rare Members of Congress who finds that being a Member of the House of Representatives is not an ideal way to make a living, because it is possible to lose money at it. In his case, he must hire an executive to run his business while he is away; and like most California Congressmen, he finds it necessary to maintain two homes.

Congressmen get a travel allowance covering their trips to and from sessions, but with an election every 2 years, a business, and a family—in HOLIFIELD's case, four charming daughters—to divide one's attention and money, being a Congressman is no way to get rich quick.

Not that HOLIFIELD is complaining—he isn't. He regards himself as only another example of the kind of people the American system produces. He has virtually educated himself, built a successful business with money earned by his own hard work, raised a large family, and got himself elected and re-elected to Congress.

"All my life," he says, "I have had to depend on my own judgment. I think the people of my district expect me to use it in Washington."

His voting record is what the political experts call liberal. But he will leave the liberals when he thinks they are wrong—as, witness his recent vote for the tidelands bill.

He is a bitter enemy of the tactics used by the House Committee on Un-American

Activities, particularly in the case of Dr. E. U. Condon. While the majority of the present Congress is willing to give the committee anything it wants, in fear of being accused of making a gesture toward communism, HOLIFIELD bases his opposition on simple grounds.

He firmly believes Dr. Condon hasn't been given a fair trial—has, in fact, been given no trial at all, but has simply been accused. He has led the fight to force the committee to hold public hearings on the charges it has made against Condon; so far, he has lost that fight, but it hasn't stopped him from making it.

While a good many of his less militant liberal colleagues were simply lying low, or at most were doing no more than quietly voting against it, HOLIFIELD came out strongly against the Mundt-Nixon Communist-control bill. He felt this legislation endangered too many of the individual liberties which are part of the system which enabled him to have a successful and happy life.

In this regard, it was suggested to him recently that, in view of the nearness of the California election, it would be dangerous for him to vote at all on this issue, much less speak publicly on it.

"I didn't come back here just to get re-elected," he said. "I came back here to represent my people the way I think they want to be represented. I will not only vote against this bill, but I will work against it."

And he did.

Long-Range Bill for Agriculture

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. JENSEN. Mr. Speaker, members of the House Committee on Agriculture are now engaged in a conference with members of the Senate Committee on Agriculture and Forestry, at the request of the Senate, on proposed legislation of the greatest importance to American agriculture and the Nation. Late Thursday night, with the least possible consideration, the Senate passed a bill which, if enacted, would not only bring about a major reorganization of the Department of Agriculture and a completely new system for handling the Nation's all-important farm programs, but would also revise sharply the parity-price formula.

The Senate bill provides that the support price of wheat, corn, and hogs be materially reduced, although curiously enough the Senate voted to make an exception of tobacco, which is a luxury. The level of price support for this crop would be held at 90 percent of its parity price. How would you explain this to the wheat, corn, and hog farmers of the country? Or the cotton farmers? Or the livestock producers?

In the very closing hours of the Eightieth Congress, the House is being asked to accept, without due consideration or study by the Members of this body, a major overhauling of the Nation's machinery and programs for agriculture. There is no opportunity whatever to find out what a majority of our constituents think of this legislation. It would be of the most vital importance to farmers—

affecting their lives, their pocketbooks, and their future.

My district in Iowa is primarily an agricultural district, so I am personally very much interested in agriculture. While I am not a member of the Agriculture Committee, I have taken pains to follow the work of this committee and I have the greatest respect for its chairman, Mr. HOPE, Mr. HOEVEN, of Iowa, and the other distinguished members.

The House Agriculture Committee has been working hard for many months in preparation for long-range farm legislation. It has held literally scores of hearings in Washington and in all the major agricultural regions of the country over the past several years. It has invited to these hearings and listened to the first-hand opinions of hundreds of thousands of farmers. As the members here today recognize so well, agriculture is basic to the prosperity of our Nation. It has international as well as domestic aspects. What we do in the field of agriculture affects not only farmers and consumers, but the Nation's industry and military strength as well.

To make a plain statement of fact, it would be most ill-advised to swiftly consider and pass sweeping farm legislation at this eleventh hour of the Eightieth Congress.

Chairman HOPE and the committee members have in my studied opinion wisely decided that an additional 6 months should be spent in refining and perfecting a bill in order that farmers and farm organizations may have sufficient time to study and determine fully a good, workable long-range farm program for America.

Instead of rushing to the floor hastily with their bills, the House committee recommended that we extend for a year the present farm program and full 90 percent of parity on basic farm crops. The House agreed with the committee earlier this week and passed H. R. 6248, which would accomplish this purpose.

Much as I am interested in seeing this House enact proper long-range farm legislation at an early date, I do not want to see us sacrifice quality and soundness for speed.

All Members of the House should have a full opportunity to give careful consideration and study to any legislative proposals of such far reaching and vital proportions as the bill passed on Thursday night by the Senate.

I introduced a year ago—H. R. 4417—covering the field of soil and water conservation known as a national land-policy bill.

I am pleased to say that Mr. HOPE and the Agriculture Committee have seen fit to give careful attention to my bill and use many of my proposals in their new measure. This new bill (H. R. 6054) is a more comprehensive piece of legislation. It has a great many other fine points in its favor, which I will not attempt to discuss now. But I will say that with some amendments H. R. 6054 would be one of the outstanding pieces of agricultural legislation ever enacted in the Nation's history.

Mr. HOPE, of Kansas, is one of the truly great agricultural statesmen of our time.

We would all be remiss in our responsibilities, and it would be a disservice to the Nation, if we did not have the patience to see exactly what he is going to propose for our consideration early in the next Congress. We are confident that Mr. HOPE and his able committee members, all of whom represent farm States, will propose the best bill that can be devised.

The Judd Bill for Equality in Naturalization and Immigration

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. JUDD. Mr. Speaker, before the close of this session I wish to call the attention of the Members of this House to the progress made by the legislation I introduced in January to end racial discrimination in our nationality and immigration laws. I wish also to pay a deserved tribute to the chairman, the Honorable FRANK FELLOWS, of Maine, and other members, of both parties, on his Subcommittee on Immigration and Naturalization. Through open hearings and in executive session they have given generously of their time and judgment in perfecting this bill, which has now been reported unanimously to the full Judiciary Committee. If it were not for the press of urgent business before us in these last days before adjournment, I am confident that a favorable report would be forthcoming from the Judiciary Committee, and that there would be prompt passage by the House.

The introductory paragraphs of the analysis prepared by the Department of State provides a condensed and accurate summary of the primary objectives of this bill:

The real objective of the bill—stated in a few words—is to eliminate all racial barriers in existing naturalization laws and to make it possible for Asian and Pacific peoples to enter the United States as quota immigrants; and, yet, from a practical standpoint, to keep within a reasonable number those persons who may come to the United States.

The bill retains all the essentials of the Immigration Act of 1924, as amended, and maintains the full intent of the national origins provisions of that act. It extends to the peoples of the other Asian and Pacific countries the opportunity to emigrate to the United States, as has been done by special legislation for the Chinese and to the peoples of India. The total number of such oriental peoples who would be admitted thereunder, however, would equal less than 1 percent of the sum of all the present quotas.

Quite naturally, I am disappointed that it has not been possible to bring this measure to a vote before the House in this session. Nevertheless, we have been able to bring this measure dealing with a technically complex subject to a high degree of perfection, and we have developed a comprehensive printed record covering every detail of the matter

before us. This perfected bill, H. R. 6809, and this record should be of great value to the Eighty-first Congress. The legislation will be reintroduced at the beginning of the next session. We may hope that this whole matter may then be brought before the House without delay for the favorable consideration it deserves.

The period of time elapsing before the next session of Congress will provide opportunity for study of the impressive record printed at the direction of the House Committee on the Judiciary. I urge all of you who are interested in this subject to secure and study the hearings.

Passage of this measure not only will be an act of justice, but of direct service to every proper American interest.

It does not befit the American sense of honor and equity that the parents of Japanese and Korean Americans who served with such distinction during World War II should be unable to gain the privileges of citizenship. These men and women have all lived here for a quarter of a century or more; they have made their full contribution to our economy and to our social institutions. They have been law abiding, zealous in educating their children, quick to respond to community needs. The evidence is overwhelming that they desire to assume the full responsibilities of citizenship. I believe, and I am sure you agree, that all who have come legally to these shores for permanent residence should be urged to become citizens. It is up to us to remove the barriers to their assuming that great obligation.

According to the United States census of 1940, there were legally resident in the United States and its Territories 84,658 aliens of Japanese descent, 3,139 of Korean descent, and 145 who were listed as Polynesians and "other Asians." They will be here till they die. They pay taxes. They are useful members of our society. They should be permitted to become full-fledged citizens.

There is very little I can add to the record concerning the wartime service of these people. During the hearings testimony was presented by such outstanding Americans as John J. McCloy, wartime Under Secretary of War, and Gen. Mark W. Clark. Speaking of the Four Hundred and Forty-second Infantry combat team, composed almost entirely of Japanese-Americans, General Clark wrote, in part:

The supreme test of citizenship is the willingness of a man to risk his life so that our country may live.

Under my command in Italy the Four hundred and forty-second Infantry Regiment and the One hundredth Infantry Battalion, composed of Nisei, fought the Nazi combat forces with the valor and skill characteristic of the young Americans that they are.

The parents of these heroic Nisei should have the privileges of the democracy their sons helped to preserve.

To this, Mr. McCloy added:

I believe legislation such as this, at least as it affects the interests of the Japanese-Americans, is only an appropriate form of recognition for the loyalty which Japanese-Americans as a whole evidenced to this country during the war.

Concerning their record in the Pacific theater, Brig. Gen. Bonner Fellers, wrote:

I have first-hand, intimate knowledge of the service rendered by the Nisei in General MacArthur's headquarters during operations against the Japanese. The loyalty of the Nisei was absolute, and their willingness to go to the front where capture, even their presence, meant risk of their lives. I have the highest regard for the Nisei and feel the United States owes them a debt of gratitude for the magnificent service which they rendered in the Pacific.

Mike Masaoka, himself a veteran of the Four hundred and forty-second, whom many of you know, brought the question down to the bed-rock desires of the largest group covered by this bill:

I say this not to brag about our outfit—although I think it is an American trait to brag about a good outfit like that—but I say it simply to indicate that here you had a great number of American soldiers of Japanese ancestry who believed in America, who so believed in it that even though they were incarcerated in virtual prisons they saw behind and beyond the barbed-wire fences; they saw beyond the watch-towers armed by armed MP's; they saw America, just and fair-minded, willing to give them and their parents a decent break.

And that is why, even though they were suspect by their own Government, they went out and fought as well as they did.

Amazingly enough, right in the fox holes before battle we would talk about a lot of things; but the No. 1 topic was this: Sure, we wanted America to win the war, but we also wanted America to be the kind of America that it professed to be, and that kind of America would not discriminate against people like my mother, who came here early in the 1900's. When she had 8 children, dad died leaving us practically penniless. Yet, my mother saw every one of us through school, a number of us through college, and when the test of supreme loyalty to this country came it was my mother who first said, "Boys, your job is to go out and fight for these United States, because it is my country."

Well, there were lots of other mothers and fathers like that, and, as I say, their sons and I knew each other overseas, and over and over again they insisted that my job was to come and tell you, the Congress of the United States, what their loyalties were—loyalties which could not be questioned.

I am very full on this subject. I could go and talk on and on, because I know these people (the noncitizen parents of the Nisei) as I say, and I wish I had the opportunity to tell you more about them. I am sure that no one can deny one fundamental fact. These people are Americans by every standard of conduct that you can think of except that of technically belonging.

I, as an American soldier, fought, with the thousands, millions, of other American soldiers, for the right of all people to be recognized as individuals, and that is all we are asking, not to be judged or classified on the basis of race.

I plead with you not to make my promise to some of the boys overseas in vain. I can still remember them. On the field of war, on the field of battle, when race and nationality count for nothing and the worth of a man counts for everything, I think we children of these people who are ineligible for citizenship proved that we belonged. We now want our parents to belong.

Such is the record of devotion to America. America can do no less than to back their faith.

WEST COAST SUPPORT

Not the least impressive, during the open hearings, was the testimony of my colleagues from California, Congressmen BERTRAND W. GEARHART and GEORGE P. MILLER. Favoring resolutions, unanimously passed by the Board of Supervisors of Los Angeles County and of San Francisco city and county, were entered into the record. If before the war, our western friends had doubts concerning the loyalty of those of Japanese ancestry among them, their record has dispelled that doubt.

FOREIGN RELATIONS

In the sphere of American interests in the Far East, the testimony of the Department of State and of the Honorable Joseph C. Grew, former United States Ambassador to Japan, was clear and to the point.

In direct testimony, W. Walton Butterworth, Director, Office of Far Eastern Affairs, Department of State, noted that:

For many years the maintenance of normal friendly relations between the United States and oriental countries has been impeded by racial discrimination present in our immigration and naturalization laws. * * * Mr. Judd's bill has the hearty endorsement of the Department of State. It very much hopes that Congress will act promptly so that it may be passed at this session, for it is of key importance to our relations with the great peoples of the Orient.

In support of this view, Ambassador Grew added:

I believe the present to be an exceptionally favorable time to take a step of this nature. * * * It seems to me to be the height of folly to ask the support of Democratic elements in these countries (Japan, Burma, Indonesia, and others), yet at the very point where our democracy comes to test, to back away. If we want to hold our friends, we must support them. The ending of exclusion now would provide concrete proof of American good faith at a time when it is most important that new leadership be oriented in our direction.

This measure brings nothing new to American policy. Twice in the past 5 years, the Congress has amended our immigration and nationality laws to extend to peoples of the Far East the privilege of naturalized citizenship and immigration to the United States under national origins quotas. The people of China were covered in 1943, those of India and the Philippine Islands in 1946. By these acts, the stigma of biological inferiority was removed from three-fourths of the 1,120,000,000 previously ineligible inhabitants of Asia, yet under the direct application of the national origins principle, as previously applied elsewhere in the world, authorized immigration from these countries was limited to 305 per year.

To extend this privilege to the rest of the peoples of Asia and of the Pacific Islands is just plain good sense. To do so will not change the quota law in any respect, but merely extend it. I believe in the quota law, and do not wish to change it; but I also believe that no decent person should be excluded from its application solely on the basis of his race or ancestry. Enactment of the

measure will authorize the immigration of but a few hundred additional Far Eastern people in any year, but will do much to improve our relationships in that part of the world. To do so will be directly in the interest of the United States.

Editorial comment supporting this view has been found in the important newspapers of every section of the country. A typical example is that contained in the April 27 issue of the San Francisco Chronicle, with which I wish to close discussion of my bill to eliminate racial discrimination in American immigration and nationality law:

AN END TO RACIAL EXCLUSION

The American people are ready, from signs that appear here and there, to take the final step toward eliminating the last vestiges of racism from the laws governing immigration and naturalization of citizens. It is high time.

Endorsements of the Judd bill to abolish racial exclusion, now being heard by a House Judiciary Subcommittee, indicate that support for it is widespread. Favorable testimony is coming from quarters that would have been in strong opposition 20 years ago. We are learning lessons.

The Judd bill, sponsored by the Minnesota Congressman who once was a missionary in China, puts all Asiatic and Pacific peoples on a quota basis for immigration, the same basis which applies to immigrants from Europe, Australasia, Africa, and the Western Hemisphere. It does for the Japanese, Koreans, Siamese, Samoans, and other Asiatic-Pacific peoples what the United States has already done for the Chinese, Filipinos, and Indians—lifts the color bar. The bill would admit about 185 Japanese annually and no more than 100 of each of 10 other nationalities. Thus it would add a trifling 1,185 at the maximum to the present yearly immigration totals.

Of greater importance numerically, the Judd bill would lift the bars against naturalization of ineligible aliens already residing in the United States. Most of these are Japanese, of course. By the last census there were 47,000 Japanese aliens on the mainland and 37,000 in Hawaii. Barred from citizenship because of racial origin, these alien Japanese are mostly elderly, having entered the country before the exclusion law of 1924. To enable them, and the Koreans, and the Polynesians, and all others now barred to take out citizenship papers would be a logical, consistent development of democratic practice. As an incidental result, it would clearly knock the props out from under the California alien land laws, which would be a very good thing.

Hawaii, as represented by its delegate to Congress, is strong for the Judd bill, and Hawaii's involvement with the results of such legislation would be greater than that of any State.

Congress should pay special heed in considering this question to the advice of Joseph C. Grew, former Ambassador to Japan. American relationships in the Far East, Grew warns, can never become entirely sound until this country eliminates the humiliation inflicted by our exclusion laws.

Just so, no one can say what part exclusion played in bringing about Pearl Harbor, but it was not negligible. And even with Pearl Harbor past and avenged, until we eliminate racial exclusion entirely we will continue to find the good name of the United States under a cloud, not only in the Orient, but in Europe, in the United Nations, and wherever our precepts are measured against our practices.

Rural-Urban Coordination

EXTENSION OF REMARKS
OF

HON. ALVIN F. WEICHEL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. WEICHEL. Mr. Speaker, there have been many suggestions covering rural-urban coordination and I want to include the report of a plan of the Rural-Urban Coordinating Council by C. S. Hunsinger, rural coordinator, Flat Rock, Ohio:

RURAL-URBAN COORDINATING COUNCIL GETS RESULTS

(By C. S. Hunsinger, rural coordinator, Flat Rock, Ohio)

Since a rural trading area is a real asset to any city, its development is not only an opportunity, but a responsibility of municipal government.

The city of Bellevue, Ohio, has done much to solve this problem by extending as many of its public services and conveniences as possible to the five surrounding townships, and has named the resulting trade area "Greater Bellevue."

More than a hundred public projects have been accomplished during the past 5 years through the rural-urban coordinating council of Bellevue and the surrounding townships, an organization which has been sponsored by the rural people in their endeavor to secure the public comforts and conveniences of city life.

Contact between the vital and constructive forces of the city and country is the secret of an effective organization of this type. This has been brought about through five general committees: Government, education, religion, economic, and social. Through these committees, it is possible for the city officials to meet with any or all of the township trustees and county officials, either directly or through the rural and urban coordinators.

METHOD OF ORGANIZATION

In order to organize a rural-urban council, the chamber of commerce or a local service club invites to a public meeting of the trading area the presidents of township trustees and boards of education; superintendents of schools; president of parent-teacher associations; all pastors, heads of all farm bureaus and other cooperatives; managers of public utilities; masters of all Granges; 4-H Clubs' leaders, etc.

Such a meeting is usually not only composed of the most public-spirited and influential citizens, but each individual is authorized to represent his organization—which makes for a powerful group, working together for the development of its united community.

The sponsoring club also invites a corresponding group of organization representatives of the city to the meeting. This includes the mayor and president of council, the superintendent of schools, president of ministerial association, president of chamber of commerce, president of service club, and heads of any other groups whose support is practicable.

In the preliminary meeting, the plan is discussed from a general viewpoint and a list of possible public projects suggested, especially emphasizing some one popular project that is needed. After nominating a temporary chairman for each township or district, the representatives are asked to discuss the matter locally.

\$12 per half pint by a shirt salesman as a side line, as a remedy for diabetes. There was no intrinsic harm in "Banbar." Taken in reasonable doses it would not perceptibly injure the patient, but by relying on it as a cure the diabetic would neglect to seek proper medical attention, and without the established and recognized insulin treatment would pass in ignorance to an untimely grave. The Government prosecuted the manufacturer of "Banbar" under the old law for selling this concoction to sufferers from diabetes with willful intent to deceive. A sheaf of testimonials from satisfied patients was exhibited to the jury, and then a sheaf of death certificates specifying diabetes as the cause of death of the signers of the testimonials was viewed by the jury; yet the salesman convinced the jury that he really believed in the efficacy of his product as a substitute for insulin, and the jury returned a verdict of not guilty. The new law prohibits therapeutic claims if they are false, irrespective of whether the Government is able to prove intent to deceive. This is belated but proper recognition of the obvious fact that the meaning of label statements is the same to the consumer regardless of whether those statements are made in good faith or bad faith.

As time goes on defects in the law will be revealed by the test of experience. We never cease to learn by trial and error. Schemes will be designed to circumvent the law. We must be constantly alert to prevent the weakening of this great remedial measure for the protection of all of the people in the United States. The benefits that have already accrued from the enforcement of this law during the 10 years since its enactment are incalculable. With a strong, healthy public opinion behind us, we will defend this law against the assaults of those who would weaken and break it down, and an able, courageous staff of officials will continue to enforce it.

Contested-Election Case of Wilson Against Granger

EXTENSION OF REMARKS OF

HON. WILLIAM A. DAWSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. DAWSON of Utah. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following report of the Committee on House Administration in the election contest in Wilson against Granger, First Congressional District, Utah:

[H. Rept. No. 2418, 80th Cong., 2d sess.]

RELATIVE TO THE CONTESTED-ELECTION CASE OF WILSON AGAINST GRANGER, FIRST CONGRESSIONAL DISTRICT OF UTAH

The Committee on House Administration, to whom was referred the resolution (H. Res. 692) relative to the contested-election case of Wilson against Granger, First Congressional District of Utah, having considered the same, report favorably thereon without

amendment and recommend that the resolution do pass.

All papers and documents in the above-mentioned election case have been fully examined, including the notice of intention to contest, the answer and exhibits attached thereto, the briefs of the parties and the minutes of the hearings, and a full hearing was given to the parties in person and by counsel on April 6 and 7, 1948. Upon consideration of all proceedings, it is respectfully submitted that the afore-mentioned contest be dismissed as lacking in merit.

However, on this record there are undoubtedly numerous and widespread errors and irregularities in many parts of the district, which reveal a lack of knowledge of the law and a failure to enforce properly the registration and election statutes by those charged with that duty.

It is felt by the committee that a continuation of such practices is a serious threat to the safeguards of the election process and the conduct of legal elections, but the committee find that the true results of the election are not affected in this case.

The extensions of time heretofore granted in this contest by the Committee on House Administration are hereby authorized and approved.

MINORITY REPORT

In the case of David J. Wilson, contestant, versus WALTER K. GRANGER, contestee, for a seat in the Eightieth Congress from the First District of Utah, all of the evidence, when it is summed up, appears that since the New Deal came to power the Democratic organization which controlled the election machinery in all of the populous counties in the district was so determined to keep control politically and remain in power, that its members seemed to feel they had a vested interest in political control, and that the State law of Utah could be set aside, and was set aside at will by the party in control of the election machinery.

In the particular case in question, those in control of the election machinery gave a majority to Congressman GRANGER of 104 votes out of a total of 89,672.

The printed record in this case shows overwhelmingly that the laws of Utah regulating registrations, balloting and counting of ballots, as well as in the canvassing of returns, were ignored and violated numerous times in Utah's First Congressional District in the election of 1946. In some instances acts constituting a felony, under the law, were committed.

While the law specifically prohibits, under heavy penalty, hauling any voters to points of registration, or to the polls on election day, and specifies certain days and hours for the registration of the voters, with one registrant to the precinct stationed at a definite location or office, the evidence shows, and is not disputed, that 16 extra registration agents were appointed in addition, who went out and canvassed from house to house the town of Washington Terrace, and from this registration alone brought in and caused to be put on the registration books in violation of the law nearly 700 voters, of whom over 400 voted.

This arrangement was made under the direction of the Democratic politicians with their full knowledge and cooperation, and is admitted in the sworn testimony of the printed record.

At another place, district 11 in Ogden in the same county, the red capped CIO organization hired three colored women as extra registrants in that precinct, notwithstanding, under the law, a qualified regularly appointed registrant had previously been appointed by the board of county commissioners to act as the registration agent. While the law specifically says that registration agents shall be paid out of the county fund, these three extra women registered nearly 100 voters, and were paid for their services by the

CIO organization, and were not paid out of the county fund. They were supervised, as well, by the CIO in their work.

Congressman GRANGER carried Washington Terrace by a majority of 543 votes, and carried district 11 by 93 votes. Both of these districts should have been thrown out in considering this contest because the registration law was flagrantly violated, and had they been thrown out the returns would show that the contestant, David J. Wilson, was entitled to the seat in Congress.

Then again in district 15, the record shows there was little or no privacy in connection with the casting or the counting of the ballots. Unsworn and unauthorized persons handled the ballots. Many of the people voted openly on tables rather than secretly in booths. More than one person went into the election booths together. Where the tally books didn't agree, the judges arbitrarily forced the balance.

While the registration law specifically says those registering must present themselves to a specified place for registration between the hours of 8 a. m. and 9 p. m. on certain days, the sworn testimony shows that women were employed by the Democratic organization in Ogden to follow the paymaster through the railroad yards, and to other places, as early as 6 o'clock in the morning soliciting and registering people before 8 as the paymaster paid them off in groups. While the registration law prevents, under penalty, the hauling of people to the polls, in fact, the Democratic organization circumvented the law by hauling the registration booths, so to speak, to the people, not only violating that provision of the statute, but violating the statute which says that people must come to certain designated places to register.

In Carbon County the general record is as bad with reference to failure to comply with the registration laws of the State of Utah as in these former instances I have discussed.

The Democratic county clerk, who is the general supervisor over elections, never did furnish registration lists or registration books containing anything except names of purported electors, and never did instruct the registration agents to fill in the information required by the law of the State.

The law says:

"Registration agents must enter upon the official register, under the proper heading, the date of registration; the names alphabetically; the age and activity of the elector, together with the location of his residence as directed in section 25-2-5, and when the person so registered is of foreign birth, the fact of exhibition of or failure to exhibit his certified copy of naturalization must be noted in the column provided for that purpose; which list, when made as in this section required, is known as the official registration of electors of their respective districts."

In other words, a list known as the official register did not carry out these provisions of the law. In all instances throughout the county, only lists of names with no identifying information were furnished. The sworn testimony and records show that quite a number of Mexicans who could not speak the English language were hauled to registration precincts in Dragerton Township in Carbon County, and that they were sworn in and registered by a person not duly qualified to take an oath, and by one who could not understand the language spoken. We are led to believe that many of these persons were migrant workers, and few, if any, were then or ever have been legal residents of Carbon County.

The entire county of Carbon, which was carried by Congressman GRANGER by a majority of 2,242 votes, should have been thrown out. Had Carbon County and Washington Terrace been excluded from the count because of these illegal actions under the direction of the Democratic officeholders in

control of the election machinery, Mr. Wilson would have been elected by a majority of approximately 2,500 votes.

It is our contention that the interest of the people of that entire congressional district would have been best served if the entire vote in Washington Terrace, district 15, and Carbon County had been excluded from the count in this election.

The good law-abiding citizens want the election laws of the State obeyed. They realize that the very freedom we have in this Nation depends on the sanctity of the ballot and on honest elections. They would rather have an entire county thrown out, or districts where gross violations of the law occurred, than to see these votes counted.

They realize that sometimes a shock must occur in order to awaken the people generally to the necessity of the strict enforcement of election laws in the interest of all.

We hope the facts we have pointed out in this report may serve as a warning to election officials who have charge of the election machinery, and that in the future strict compliance with the election laws may follow.

CHARLES W. VURSELL.

WILLIAM C. COLE.

ROBERT J. CORBETT.

JAMES GALLAGHER.

The President's Criticism of the Congress

EXTENSION OF REMARKS

OF

HON. FRED L. CRAWFORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. CRAWFORD. Mr. Speaker, with respect to the President's recent outbursts against Congress, the immediate impression on the part of many colleagues has been that there is not too much change to accomplish substantially anything more before the country elects a new President. However, as we are governed by our constitutional framework we must naturally continue to try to work with Mr. Truman, in spite of his attitude toward the Congress. Today I received a letter from a friend of mine, Carl Nepruo, of Coon Valley, Wis., who, in my opinion, makes some very appropriate comments on the recent spectacle of the President attempting to belittle the Congress. Nepruo draws a parallel between what President Truman has tried now and what President Franklin Roosevelt attempted on occasions—particularly the time he tried to prevail upon the Congress to accept his position with respect to one of the main provisions of the 1942 farm bill. On that occasion, a Democratic Congress led by the floor leader, Senator ALBEN BARKLEY, revolted against the President and asserted the prerogatives of Congress. As the people stood by Congress then, I am sure they will applaud Congress now in the manner it maintains its position, and, I might add, its dignity. Nepruo's letter is quoted in full below:

KARLANNA FARM,

Coon Valley, Wis., June 18, 1948.

HON. FRED CRAWFORD,

House of Representatives,

Washington, D. C.

DEAR FRED: The spectacle of President Truman's attempt to ride herd on Congress and to belittle the efforts of our legislative branch

reminds one of somewhat similar performances on the part of his predecessor—particularly Franklin Roosevelt's brazen attempt in 1942 to force Members of Congress to accept his wishes with respect to a percentage figure in a farm bill. Fortunately, the Democratic leaders in Congress felt that the President was going out of bounds in his attempt to dictate to Congress and Senator BARKLEY, the Democratic floor leader, led a revolt which put through the farm bill containing however a percentage figure which had been worked out by the Congress and which was quite different from the figure worked out by the President's advisers.

It may be recalled that at the time I wrote some observations which I labeled "The Issue Before the Congress and the People." As some of the remarks contained in the memorandum seem equally pertinent now, I quote a few excerpts below:

"It seems to me that if Congress abjectly meets the President's wishes against its own better judgment—based on congressional hearings—then it resigns its legislative functions and becomes a rubber stamp. Even if after a most careful study, the President should still feel that his figure is more nearly correct than the one named by Congress, it does not seem to me that the difference involved warrants a move which would compel our Congress to lose its self-respect and the respect of the Nation.

"I can think of no question of any greater importance to this Nation than that of preserving the prerogatives of Congress. This is no time for the Members of our great Congress to supinely yield to 'or else' dictums, nor, might I add, would it seem to be the time for anyone to confront them with such dictums. It would seem that if a re-reading of their oath of office is not sufficient for the Members of Congress to realize their obligations to preserve the Constitution and the framework of our Government, then the instinct of self-preservation and self-respect should cause them to assert and protect their position. If Members of Congress do so with all the vigor they possess I believe that the American people, whose chosen representatives they are, will applaud them."

We recall how the American people applauded Senator BARKLEY for leading the fight against Roosevelt's attempt at dictation.

That the Members of the present Congress are equally concerned about maintaining their prerogatives is clearly shown by the many occasions which Democratic Members in both Houses have joined with Republican Members in overriding President Truman's vetoes.

One can be quite sure that the American people are following events closely and fully appreciate the concerted action taken by congressional leaders in both parties. I feel strongly that the people of the country will always support Congress in its constitutional authority because in the end it is the people and the country as a whole who stand to lose in case a President should succeed in lowering the prestige of Congress.

Yours sincerely,

CARL NEPRUO.

More Than a Decade

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BROOKS. Mr. Speaker, I am about to conclude 12 years in the House of Representatives. It has been 12 years

of active, interesting, and what I believe to be very productive service, representing the people of the Fourth Congressional District. It is therefore entirely proper before the adjournment of this Congress that I should say something regarding what has transpired during the time when it has been my privilege to represent a great people of a great State.

FLOOD CONTROL

It has been during the course of this period that a great development in flood control and navigation on Red River has begun. The late Senator John Overton, now gone to his reward, laid the pattern for a marked development along the Red River Valley and Mississippi River Valley. This development has proceeded year by year, beginning with an appropriation of just a few hundred thousand dollars for Red River until now the annual appropriations for the Red River Valley alone will run between six and ten million dollars.

I introduced the original resolution calling for a study by the Army engineers on an interim flood-control plan. This resolution passed and, after a protracted study, the engineers reported the familiar \$77,500,000 interim flood-control program which has already been started and is fast moving to consummation. This program provides for levees up and down both sides of Red River from Fulton, Ark., to the mouth of the river. It provides for a series of dams and reservoirs on both sides of the river built for the purpose of holding back the uncontrolled flood waters of the river when it is on a rampage and allowing an orderly release of these waters to the use of civilization. While I have been in Congress and with the great leadership of the late Senator Overton, I have been able to bring this entire program to the point where it should gradually be automatically completed during the years ahead, if given proper guidance.

I have been working with Senator Overton on plans for the Overton Red River lateral canal. The authorization for this canal has already passed Congress and I hope within a reasonable period ahead actual work will be begun. As a matter of fact, already \$150,000 has been spent in planning for the canal and another \$150,000 will complete the planning.

When the Overton waterway is completed, it will provide direct water transportation from Shreveport, La., connecting with the great Mississippi River and its tributaries and with all parts of the midcontinent inland waterways of America. Such a development will help the entire State of Louisiana. It will connect New Orleans, Lake Charles, Baton Rouge, Monroe, and Shreveport by water and will give another great area in Louisiana water transportation.

I have helped on flood control and rivers and harbors legislation in all parts of Louisiana and the Nation. I realize that water transportation and flood control is just as important to other people as it is to ourselves and, with this in mind, I have tried to extend my efforts to all parts of Louisiana and the Nation.

HOLC FORECLOSURES

One of the first measures which attracted my attention as a newly elected Congressman 12 years ago was the method which the Home Owners' Loan Corporation was using in Louisiana to seize possession and foreclose mortgages on the sale of hundreds of homes owned by some of our most honest and industrial citizens. I stepped into the breach during the first month that I was in Congress, and by aggressive opposition to unfair and indiscriminate foreclosures of HOLC I stopped them. In doing this, it is my belief that I saved hundreds, if not thousands, of homes for our people, who, in the course of time, paid out the loans due the Government on the property, and own them at the present time. Such action makes for useful and loyal citizens.

VETERANS' LEGISLATION

During the course of my work in Congress I have voted for every piece of veterans' legislation presented to the Congress for a vote. I have in no case opposed any legislation which has been endorsed by the three large patriotic organizations. Long before the coming of the Second World War, I supported legislation increasing the benefits for Spanish-American War veterans and liberalizing the compensation for veterans of World War I.

It was during the course of the war that I advanced the idea of terminal leave to all enlisted men and pay for this time. At first my plan was rejected, but I am very pleased with the fact that in the course of time terminal-leave pay was provided as I always advocated for enlisted men as well as officers. My bill was one of the three bills used to write up the original terminal-leave-pay measure which was finally passed by Congress. I was a member of a small subcommittee which perfected the terminal-leave-pay bill, and I actually had control of the bill in the House of Representatives as it went through Congress. This measure which I sponsored has resulted in the Government paying \$3,000,000,000 in money to enlisted personnel of the Second World War for something which I have always believed they were entitled to.

I helped write the GI bill of rights and I consulted with high officials of some of the patriotic organizations in the original inception of this measure. I supported it at every turn in Congress and since its passage I have voted to liberalize many of its provisions.

I realize that the amount of money paid to veterans going to school under GI training has been insufficient. I supported increases in this pay.

I realize that our housing legislation has not been adequate and I have supported GI housing continuously in both Congresses since the close of the Second World War. In fact, I made a very active fight on the floor of the House of Representatives for the continuation of the policy of refinancing GI loans with the RFC and in expanding FHA so as to take care of huge volumes of housing loans. While the need for housing is extremely great at the present time, it has been a problem which has had by attention dur-

ing the course of lengthy debate on the floor of the House and in committee meetings.

It has only been a short while ago that I actively supported legislation which has now become law to increase compensation paid to widows and orphans of veterans. Only this week I supported a measure to increase the benefits paid to all service-connected disabled veterans with dependents and which veterans are 60 percent or more disabled.

The plight of the wounded and disabled veteran has always claimed my sympathy and attention. I felt like the needs of this group of veterans should come first in the mind of Congress and in the desires of the Nation. I therefore fought for and voted for a bill to give an automobile to every amputee and recently I have supported similar legislation to give a car to the blinded war veteran who needs some means of transportation because of the lack of sight. It is cases such as this which appeal strongly to the hearts of the Nation, demanding that the purse strings be loosened to the needs of this group of our veterans.

In connection with my assistance to veterans, I cannot overlook the program of hospitalization and rehabilitation undertaken by the United States in Louisiana. Even before the war I became actively interested in such a program for our State. I realized that a million wounded veterans and approximately 10,000,000 living veterans of all wars meant a large additional need for veterans' hospitals. I accordingly went to work on this program. Since I represented the fourth congressional district, it was my obligation to work for the people of the northern part of the State; and after several years intensive work I managed to obtain approval of a 10,500,000 veterans' hospital to be located in Shreveport, La. This hospital is now being built and will be as fine and as modern a 450-bed hospital as there is anywhere in the world.

Due to my efforts, I obtained the location of a Veterans' Administration Regional Office in north Louisiana; and it is now temporarily domiciled at Dodd College in the heart of the residential district of Shreveport, La. I have gone to work on obtaining permanent housing and I am glad to be able to state that the Veterans' Administration has sent a committee to north Louisiana to advise as to the need for permanent quarters in a business section for this Regional Office of the Veterans' Administration. Before long, I hope to be able to give the news to the people of Louisiana that a million and a half dollar Veterans' Administration building is in the process of being constructed.

AGRICULTURE

As Louisiana is primarily an agricultural State I have felt that I should always be alert to the needs of our agricultural products such as sugar, rice, cotton, corn, lumber, and so forth. I have therefore, always supported the agricultural appropriation bills. The production and marketing program, soil conservation program, and land utilization program of the United States have been programs of genuine interest to me.

The tragic conditions of our washed and eroded hillsides, especially in central and north Louisiana, have fairly shouted their need for conservation and conservation payments. It has been with much satisfaction that I watched the soil conservation program grow from a small beginning until it reached out and extended through every section of the State beginning with the original drainage program which is extremely important to Louisiana. I know of nothing which means more to our farmers than the continuation of these most beneficial programs.

One of the first measures supported by me when I came to Congress was the program to effect the cancellation of the old oat loans. About \$1,000,000 had been loaned in small amounts, varying from \$5 to \$50. These amounts had been loaned to our farmers on chattel mortgages covering household furniture and farm equipment. Crop failures and poor advice on the part of the Government resulted in disaster to thousands of our small and hard-working farm population. I worked out a cancellation of these loans with the Agriculture Department and saved the little farmers of the State a million dollars.

As a part of the agricultural program, I helped inaugurate the original hot-lunch program. In its beginning the idea was to take farm surpluses and distribute this to the underprivileged. This finally worked into the hot lunch school program which has become a permanent fixture in our legislative establishment. Under this beneficial program the United States contributes millions of dollars yearly for the purchase of food to be distributed to our underprivileged young boys and girls in America. This is a fine program and should meet with enthusiastic response from all of our people.

Likewise on part of the agricultural program, I have supported appropriations for the construction of roads, both farm and arterial highways. Each year we are managing to increase the size of the highway and road appropriations bill, distributing the billions of dollars appropriated by the United States to the several States on a basis of matching funds to the extent of 50 percent at State level. In this way Louisiana has had a great amount of Federal help in building her highway system, which is so badly needed by our people. I do not mean this work is complete but much help has been given in this respect. Much remains to be done and I shall continue to devote my efforts to the perfecting of model highways and roads leading to every farm, village, and city in Louisiana.

REA

REA was an infant when I first came to Congress. Now it has attained the size of a program calling for the expenditure of hundreds of millions of dollars yearly. I have seen our farm land gradually taken out of darkness and given electricity. The farmers and their families by use of rural electricity have made REA power do the chores of other years. I have pledged myself to continue this work until the time when every farmer in America has electricity.

NATIONAL DEFENSE

My committee assignment when I came to Congress placed me on the Military Affairs Committee, which later became the Armed Services Committee. I served on this committee during the trying days which led up to the Second World War. I was an active member of the committee during all of the tragic days of this struggle; and I actually worked on and helped write all of the major military legislation which was indispensable to build up our armies and our Air Force and to bring to us victory.

I am very proud of the fact that many of these bills bore my name. I helped write three Army pay bills raising the pay of the private enlisted man from \$30 to \$75 per month. The last one of these bills bears my name and many parts of it were actually written in longhand by me. During the course of the war, I visited the fighting fronts in several countries in Europe. I was under fire when I talked to enlisted men to find out what they were thinking and where our legislation might need perfecting. On one of these trips the chairman of our committee took pneumonia and subsequently passed away.

Following the end of the war, I have worked studiously on a program of building up our national defenses. We must keep America strong and vigorous if we are to keep America at peace. With this in mind, I have advocated an adequate Army and an Air Force second to none. During the current session of Congress I have helped draft the legislation making our Air Force a 70-group Air Force which, when it reaches this point, will be as strong as all of the other air fleets of the world combined.

Immediately before the war, I visited the War Department with the late Senator Overton and discussed military development in our native State. During the course of the maneuvers, I repeatedly visited with our troops in the field and studied the problems of the Army in the fields under battle conditions. I also visited all of our military camps and installations, including the great Army port of embarkation located in the city of New Orleans, and the camps in central Louisiana.

Now that Congress is about to enact a draft bill as a temporary expedient, I am anxious to join in an effort to locate Army camps and an additional Army post in Louisiana. We are entitled to this consideration by the Army, the Air Force and the Navy; and I shall not be satisfied until we are given additional consideration by our national defense forces.

I might add that since Barksdale Field has been in my congressional district, I have worked untiringly for this post. When I came to Congress, I was told the expenditures on Barksdale Field for permanent construction were \$7,500,000. Since I have been in office, I have worked to expand this field and now I am proud to proclaim the fact that Barksdale Field represents an investment of millions of additional dollars. During the course of the war alone, I helped obtain expendi-

tures of \$30,000,000 of additional Federal money for construction on this post.

The Louisiana ordnance plant and the reconsignment depot are likewise results of my efforts; and my interest has been in military plants and arsenals all over the State.

CIVIL SERVICE AND RETIREMENT

I have supported Federal civil service. I have supported this continually by my vote and by my voice. As a result of this, during the time I have served in Congress, civil service benefits have been extended and the civil service retirement system has been expanded and strengthened and has now become an integrated part of the civil service system of the Nation. Hundreds of thousands of Government employees look forward to the time when they can enjoy the fruits of their public labor by a healthy retirement system.

In this connection I wish to say I have supported the extension and expansion of the railroad retirement legislation. I voted for several bills extending and increasing these benefits. During the current week, I supported a new bill increasing retirement benefits by 20 percent to thousands of railroad employees who have done their bit in the transportation problem of the Nation and are now entitled to an old age of comfort and leisure. This increase of 20 percent in retirement pay will not meet the needs of those who are entirely dependent upon it. This increase will, however, help to alleviate some of the hardship and suffering brought about by high prices and inflation.

STORM RELIEF

I would not be true to my record in Congress if I did not mention the strenuous efforts which I made to extend relief to those in storm areas in my congressional district. During the course of my tenure in office, two great cyclones have swept north Louisiana, doing tremendous damage to life and property where they hit. In Rodessa a number of years ago a storm destroyed a large portion of the town. Only last year, in Webster and Claiborne Parishes, a most destructive tornado swept through the towns of Cotton Valley and Haynesville, killing and maiming people and destroying property. In both instances I acted swiftly to extend every facility of the United States Government to administer relief to the suffering and financial aid to those rendered homeless and shelterless as a result of the storm. In both cases the Government expended a huge amount of money, giving blankets, cook stoves, tents, simple home equipment, and even food in some cases to take care of the storm sufferers.

Although I have worked upon larger projects, I do not know of anything which gives me as much enthusiasm as the thought of our great and powerful Government stooping down to administer comfort and succor in cases of tornado distress to those who have felt the full fury of the elements.

CONCLUSION

Mr. Speaker, I could go on at length. Twelve years is a long time and it is dif-

ficult to condense the activity of that period in one single speech. I want to say in conclusion that I have tried to be active for my people during this period of time. I have tried to answer their letters and communications and to administer to their small needs as well as to their large ones. I think I have accomplished much. I have been fortunate in representing a most cooperative citizenry which has been most understanding in its problems. This desire to cooperate on the part of my people has made my work pleasanter and much easier.

This report, of course, emphasizes the Fourth Congressional District in Louisiana. This is the area which I have been privileged to represent in Congress. I have therefore not dealt generally with those things that affected the rest of the State of Louisiana or the Nation as it is my present desire to merely render an account of my 12 years of service in Congress.

Mr. Speaker, these have been 12 very pleasant and happy years. I am most grateful to the people of my congressional district who have permitted me this opportunity of representing them for more than a decade in the Halls of this Congress and during the most critical period which this Nation and the world has ever passed through. It has been a singular honor to have this position; and with this feeling of obligation on my part, I have worked diligently, aggressively, and conscientiously to represent a people who, I think, are entitled to the best there is in the way of government and the highest type of democracy.

I thank you, Mr. Speaker, and Members of the House with whom I have served during this period. I leave here with most happy recollections of friendship for those Members of this body and will treasure them in the future as a part of this service.

Mr. Speaker, I bid you adieu.

John Thomas

EXTENSION OF REMARKS
OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SANBORN. Mr. Speaker, at the time of the passing from this life of the late Senator John Thomas I was in the State of Idaho and with all Idaho citizens was shocked to learn of his death.

John Thomas and I lived in the same county of Gooding and we knew each other well. He served as State chairman of the Republican Party for several years, part of it being while I was serving in the Idaho Legislature. His successful and varied activities, ranging from farming and stock raising to banking, gave him a broad background of practical knowledge that was a great asset to him in his senatorial duties. He made a splendid record in the Senate.

[PUBLIC LAW 897—80TH CONGRESS]

[CHAPTER 827—2D SESSION]

[H. R. 6248]

AN ACT

To authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Act of 1948".

TITLE I—1949 PRICE STABILIZATION

SECTION 1. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed through any instrumentality or agency within or under the direction of the Department of Agriculture, by loans, purchases, or other operations—

(a) To support prices received by producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950, if producers have not disapproved marketing quotas for such commodity for the marketing year beginning in the calendar year in which the crop is harvested. The price support authorized by this subsection shall be made available as follows:

(1) To cooperators at the rate of 90 per centum of the parity price for the commodity as of the beginning of the marketing year;

(2) To noncooperators at the rate of 60 per centum of the rate specified in (1) above and only on so much of the commodity as would be subject to penalty if marketed.

All provisions of law applicable with respect to loans under the Agricultural Adjustment Act of 1938, as amended, shall, insofar as they are consistent with the provisions of this subsection, be applicable with respect to loans or other price-support operations authorized under this subsection, except that for the purpose of computing the parity price for Maryland tobacco the base period shall be the period August 1936 to July 1941 in lieu of the period August 1919 to July 1929.

(b) To support until January 1, 1950, a price to producers of commodities with respect to which the Secretary of Agriculture by public announcement pursuant to the provisions of the Act of July 1, 1941, as amended, requested an expansion of production of not less than 60 per centum of the parity or comparable price therefor nor more than the level at which such commodity was supported in 1948, except that Irish potatoes harvested before January 1, 1949, milk and its products, hogs, chickens, and eggs shall be supported at 90 per centum of the parity or comparable price. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this subsection if the production or consumption of such commodity has so changed in extent or character since the base period as to result

in a price out of line with parity prices for the commodities referred to in (a) hereof. In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

(c) Sections 1 and 3 of the Act approved August 5, 1947 (Public Law 360, Eightieth Congress), are amended by striking out in each section the date "December 31, 1948" wherever it appears and inserting in lieu thereof the date "June 30, 1950".

(d) It is hereby declared to be the policy of the Congress that the lending and purchase operations of the Department of Agriculture (other than those referred to in subsections (a), (b), and (c) hereof) shall be carried out until January 1, 1950, so as to bring the price and income of the producers of other agricultural commodities not covered by subsections (a), (b), and (c) to a fair parity relationship with the commodities included under subsections (a), (b), and (c), to the extent that funds for such operations are available after taking into account the operations with respect to the commodities covered by subsections (a), (b), and (c). In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

SEC. 2. From any funds available to the Department of Agriculture or any agency operating under its direction for price support operations or for the disposal of agricultural commodities, the Secretary of Agriculture is authorized and directed to use such sums as may be necessary to carry out the provisions of section 1 of this Act.

SEC. 3. Section 22 of the Agricultural Adjustment Act, as added by section 31 of the Act of August 24, 1935 (49 Stat. 773), reenacted by section 1 of the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246), as amended, is hereby amended to read as follows:

"SEC. 22. (a) Whenever the President has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify.

"(b) If, on the basis of such investigation and report to him of

findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 per centum ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a), of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: *Provided*, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 per centum of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: *And provided further*, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine.

“(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States.

“(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section.

“(e) Any decision of the President as to facts under this section shall be final.

“(f) No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party.”

SEC. 4. Section 8 (a), as amended, of the Soil Conservation and Domestic Allotment Act is amended (a) by striking out “January 1, 1949” wherever appearing therein and inserting in lieu thereof “January 1, 1951”, and (b) by striking out “December 31, 1948” and inserting in lieu thereof “December 31, 1950”.

Sec. 5. Notwithstanding any of the provisions of this Act, the Act of July 28, 1945 (59 Stat. 506) shall continue in effect.

SEC. 6. This title shall take effect on January 1, 1949, except that sections 3 and 4 shall take effect on the date of enactment of this Act.

TITLE II—AMENDMENTS TO THE AGRICULTURAL ADJUSTMENT ACT OF 1938

DEFINITIONS OF "PARITY PRICE", "CARRY-OVER", "NORMAL SUPPLY", AND
"TOTAL SUPPLY"

SEC. 201. Section 301 of the Agricultural Adjustment Act of 1938 is amended—

(a) By striking out paragraphs (1) and (2) of subsection (a) and inserting in lieu thereof the following:

"(1) (A) The 'parity price' for any agricultural commodity, as of any date, shall be determined by multiplying the adjusted base price of such commodity as of such date by the parity index as of such date.

"(B) The 'adjusted base price' of any agricultural commodity, as of any date, shall be (i) the average of the prices received by farmers for such commodity, at such times as the Secretary may select during each year of the ten-year period ending on the 31st of December last before such date, or during each marketing season beginning in such period if the Secretary determines use of a calendar year basis to be impracticable, divided by (ii) the ratio of the general level of prices received by farmers for agricultural commodities during such period to the general level of prices received by farmers for agricultural commodities during the period January 1910 to December 1914, inclusive.

"(C) The 'parity index', as of any date, shall be the ratio of (i) the general level of prices for articles and services that farmers buy, interest on farm indebtedness secured by farm real estate, and taxes on farm real estate, for the calendar month ending last before such date to (ii) the general level of such prices, rates, and taxes during the period January 1910 to December 1914, inclusive.

"(D) The prices and indices provided for herein, and the data used in computing them, shall be determined by the Secretary, whose determination shall be final.

"(E) Notwithstanding the provisions of subparagraph (A), the transitional parity price for any agricultural commodity, computed as provided in this subparagraph, shall be used as the parity price for such commodity until such date after January 1, 1950, as such transitional parity price may be lower than the parity price, computed as provided in subparagraph (A), for such commodity. The transitional parity price for any agricultural commodity as of any date shall be—

"(i) its parity price determined in the manner used prior to the effective date of the Agricultural Act of 1948, less

"(ii) five per centum of the parity price so determined multiplied by the number of full calendar years which, as of such date, have elapsed after January 1, 1949.

"(F) Notwithstanding the provisions of subparagraphs (A) and (E), if the parity price for any agricultural commodity, computed as provided in subparagraphs (A) and (E) appears to be seriously out of line with the parity prices of other agricultural commodities, the Secretary may, and upon the request of a substantial number of interested producers shall, hold public hearings to determine the proper relationship between the parity price of such commodity and the parity prices of other agricultural commodities. Within sixty

days after commencing such hearing the Secretary shall complete such hearing, proclaim his findings as to whether the facts require a revision of the method of computing the parity price of such commodity, and put into effect any revision so found to be required.

“(2) ‘Parity’, as applied to income, shall be that gross income from agriculture which will provide the farm operator and his family with a standard of living equivalent to those afforded persons dependent upon other gainful occupation. ‘Parity’ as applied to income from any agricultural commodity for any year, shall be that gross income which bears the same relationship to parity income from agriculture for such year as the average gross income from such commodity for the preceding ten calendar years bears to the average gross income from agriculture for such ten calendar years.”

(b) By amending paragraph (3) (A) of subsection (b) to read as follows:

“(A) ‘Carry-over’, in the case of corn, rice, and peanuts for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, not including any quantity which was produced in the United States during the calendar year then current.”

(c) By amending paragraph (3) (B) of subsection (b) to read as follows:

“(B) ‘Carry-over’ of cotton for any marketing year shall be the quantity of cotton on hand within the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current, plus the quantity on hand within the United States at the beginning of such marketing year which was produced outside the United States.”

(d) By striking out paragraph (10) of subsection (b) and inserting in lieu thereof the following:

“(10) (A) ‘Normal supply’ in the case of corn, cotton, rice, wheat, and peanuts for any marketing year shall be (i) the estimated domestic consumption of the commodity for the marketing year ending immediately prior to the marketing year for which normal supply is being determined, plus (ii) the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus (iii) an allowance for carry-over. The allowance for carry-over shall be the following percentage of the sum of the consumption and exports used in computing normal supply: 7 per centum in the case of corn; 30 per centum in the case of cotton; 10 per centum in the case of rice; 15 per centum in the case of wheat; and 15 per centum in the case of peanuts. In determining normal supply the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary.

“(B) ‘Normal supply’ in the case of tobacco shall be a normal year’s domestic consumption and exports, plus 175 per centum of a normal year’s domestic consumption and 65 per centum of a normal year’s exports as an allowance for a normal carry-over.”

(e) By amending paragraph (16) of subsection (b) to read as follows:

“(A) ‘Total supply’ of cotton, wheat, corn, rice, and peanuts for any marketing year shall be the carry-over of the commodity for such

marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year.

“(B) ‘Total supply’ of tobacco for any marketing year shall be the carry-over at the beginning of such marketing year plus the estimated production thereof in the United States during the calendar year in which such marketing year begins, except that the estimated production of type-46 tobacco during the marketing year with respect to which the determination is being made shall be used in lieu of the estimated production of such type during the calendar year in which such marketing year begins in determining the total supply of cigar filler and cigar binder tobacco.”

PRICE SUPPORT

SEC. 202. (a) Section 302 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

“SEC. 302. (a) The Secretary, through the Commodity Credit Corporation (except as provided in subsection (c)) and other means available to him, is authorized to support prices of agricultural commodities to producers through loans, purchases, payments, and other operations. Except as otherwise provided in this section, the amounts, terms, and conditions of such price support operations, and the extent to which such operations are carried out, shall, in the case of operations carried out by Commodity Credit Corporation, be determined by the Corporation with the approval and subject to the direction of the Secretary, and, in the case of operations carried out by other means, be determined by the Secretary. In making such determinations, consideration shall be given to (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported, (3) the availability of funds, (4) the perishability of the commodity, (5) its importance to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price support operation, (7) the need for offsetting temporary losses of export markets, and (8) the ability and willingness of producers to keep supplies in line with demand. Compliance by the producer with acreage allotments, production goals, and marketing practices prescribed by the Secretary may be required as a condition of eligibility for price support. The Secretary shall in all cases give consideration to the practicability of supporting prices indirectly, as by the development of improved merchandising methods, rather than directly by purchase or loan.

“(b) (1) Price support shall be made available to producers of any basic agricultural commodity at levels determined as hereinafter provided in this subsection. On the basis of the latest available statistics of the Department of Agriculture as of the beginning of each marketing year for each such basic agricultural commodity, the Secretary shall, with respect to such marketing year and such basic agricultural commodity—

“(i) estimate the total supply;

“(ii) determine the normal supply; and

“(iii) determine the percentage which the estimated total supply is of the normal supply (such percentage being referred to herein as the ‘supply percentage’).

“(2) The level at which the price of such basic agricultural commodity for such marketing year shall be supported for cooperators (other than cooperators outside the commercial corn-producing area, in the case of corn) shall not exceed 90 per centum of the parity price of such commodity as of the beginning of the marketing year or be less than the percentage of its parity price as of the beginning of such marketing year determined from the following table:

The level of support shall be not less than the following percentage of the parity price:

If the supply percentage is:

Not more than 70-----	90
More than 70 but not more than 72-----	89
More than 72 but not more than 74-----	88
More than 74 but not more than 76-----	87
More than 76 but not more than 78-----	86
More than 78 but not more than 80-----	85
More than 80 but not more than 82-----	84
More than 82 but not more than 84-----	83
More than 84 but not more than 86-----	82
More than 86 but not more than 88-----	81
More than 88 but not more than 90-----	80
More than 90 but not more than 92-----	79
More than 92 but not more than 94-----	78
More than 94 but not more than 96-----	77
More than 96 but not more than 98-----	76
More than 98 but not more than 102-----	75
More than 102 but not more than 104-----	74
More than 104 but not more than 106-----	73
More than 106 but not more than 108-----	72
More than 108 but not more than 110-----	71
More than 110 but not more than 112-----	70
More than 112 but not more than 114-----	69
More than 114 but not more than 116-----	68
More than 116 but not more than 118-----	67
More than 118 but not more than 120-----	66
More than 120 but not more than 122-----	65
More than 122 but not more than 124-----	64
More than 124 but not more than 126-----	63
More than 126 but not more than 128-----	62
More than 128 but not more than 130-----	61
More than 130-----	60

“(3) Notwithstanding the foregoing provisions of this section—

“(A) the minimum level of price support to cooperators for any basic agricultural commodity shall be 120 per centum of the minimum level determined from the foregoing table, if acreage allotments are in effect at the beginning of the planting season for such commodity, or if marketing quotas are in effect at the beginning of the marketing year for such commodity; but in no case shall the level of price support for any commodity be increased thereby above 90 per centum of its parity price as of the beginning of the marketing year; and

“(B) the level of price support for any basic agricultural commodity normally marketed in any marketing year with respect to which marketing quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity as of the beginning of such marketing year.

“(4) The level at which the price of corn shall be supported for cooperators outside the commercial corn-producing area shall be

75 per centum of the level at which the price is supported for cooperators in the commercial corn-producing area with respect to corn.

"(5) Notwithstanding the foregoing provisions of this section, the level of price support to cooperators for any crop of tobacco for which marketing quotas are in effect shall be 90 per centum of its parity price as of the beginning of the marketing year.

"(c) The support price for any nonbasic agricultural commodity shall not exceed 90 per centum of the parity price for the commodity as of the beginning of the marketing year or season in the case of a commodity marketed on a marketing year or seasonal basis, and as of January 1 in the case of any other commodity. Any price support operation undertaken with respect to either turkeys or chickens shall be applicable to all chickens, including broilers, appropriate adjustments being made as provided in subsection (e) of this section: *Provided*, That if any price support operation is undertaken with respect to either chickens or turkeys, the same parity price support operation shall be undertaken with respect to ducks and ducklings and other poultry. The price of wool shall be supported at such level, not in excess of 90 per centum nor less than 60 per centum of its parity price as of January 1, as the Secretary may consider necessary in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool. The price of any kind of Irish potatoes harvested after December 31, 1949, shall be supported at not less than 60 per centum nor more than 90 per centum of the parity price for Irish potatoes as of the beginning of its marketing season. The Commodity Credit Corporation shall not carry out any operation to support the price of any nonbasic agricultural commodity (other than Irish potatoes) which is so perishable in nature as not to be reasonably storable without excessive loss or excessive cost; but any such operation may be carried out by the Secretary through other means available to him such as those provided by section 32, Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended: *Provided*, That the foregoing provisions shall not be construed to prohibit the Commodity Credit Corporation from supporting the price of any perishable nonbasic agricultural commodity by a loan, purchase, payment, or other operation undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity: *Provided further*, That the Secretary, in carrying out programs with respect to perishable and nonperishable commodities under section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act, may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract) and make advance payments to it: *And provided further*, That in any fiscal year, if at the end of the preceding fiscal year the sums appropriated under said section 32 and remaining unexpended do not exceed \$300,000,000, Commodity Credit Corporation may, as provided in section 302 (a) of this Act, carry out any operation to support the price of any such perishable, nonbasic agricultural commodity to the extent that the reserve for the postwar price support of agriculture established pursuant to the First Supplemental Appropriation Rescission Act of 1946 (60 Stat. 8) and other funds appropriated for agricultural price support are sufficient

to cover any losses which may be incurred in connection with such operation.

“(d) Notwithstanding the foregoing provisions of this section, price support operations at levels in excess of the maximum level of price support otherwise prescribed in this section may be undertaken whenever it is determined by the Secretary after reasonable public notice and public hearing with records of said hearing and a finding thereon by said Secretary available to the public that price support at such increased levels is necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security.

“(e) Appropriate adjustments may be made in the support price for any commodity for differences in grade, type, staple, quality, location, and other factors. Such adjustments shall be made in such manner that the average support price for such commodity in each marketing year will, on the basis of the anticipated incidence of such factors, be equal to the level determined as provided in this section for such marketing year.

“(f) For the purposes of this section—

“(1) A ‘cooperator’ with respect to any basic agricultural commodity shall be a producer on whose farm the acreage planted to the commodity does not exceed the farm acreage allotment for the commodity under this title, or, in the case of price support for corn to a producer outside the commercial corn-producing area, a producer who complies with conditions of eligibility prescribed by the Secretary. For the purposes of this subsection a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded such allotment.

“(2) A ‘basic agricultural commodity’ shall mean any of the commodities cotton, wheat, corn, tobacco, rice, and peanuts of a crop harvested after December 31, 1949.

“(3) A ‘nonbasic agricultural commodity’ shall mean any agricultural commodity other than a basic agricultural commodity.

“(g) No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan made under authority of this section unless such loan was obtained through fraudulent representations by the producer. This provision shall not, however, be construed to prevent Commodity Credit Corporation or the Secretary from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program.

“(h) The Commodity Credit Corporation shall not sell any farm commodity owned or controlled by it at less than (1) a price determined on a pricing basis for its stocks of such commodity on hand, which makes due allowance for grade, type, quality, location, and other factors and which is reasonably calculated to reimburse it for costs incurred by it with respect to such stocks; (2) a price halfway between the support price, if any, and the parity price of such commodity; or (3) a price equivalent to 90 per centum of the parity price of such commodity, whichever price is the lowest, except that the foregoing restrictions shall not apply to (A) sales for new or byproduct uses;

(B) sales of peanuts for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or of nonbasic perishable commodities where there is danger of loss or waste through spoilage; (E) sales for the purpose of establishing claims against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool; and (H) sales for other than primary uses."

(b) Section 381 (c) of the Agricultural Adjustment Act of 1938 is repealed.

MARKETING QUOTAS

CORN

SEC. 203. (a) The first sentence of section 322 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever in any calendar year the Secretary determines—

"(1) that the total supply of corn for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

"(2) that the total supply of corn for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for corn for three successive months of the marketing year so ending does not exceed 66 per centum of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect in the commercial corn producing area for the crop of corn grown in such area in the next succeeding calendar year and shall remain in effect until terminated in accordance with the provisions of this title."

(b) Sections 322 (b) and 322 (c) of the Agricultural Adjustment Act of 1938 and the joint resolution entitled "Joint resolution relating to section 322 of the Agricultural Adjustment Act of 1938, as amended", approved July 26, 1939 (53 Stat. 1125), are hereby repealed.

(c) Section 322 (d) of the Agricultural Adjustment Act of 1938 is amended (1) by striking out "(c)" and inserting in lieu thereof "(a)", and (2) by striking out "September" and inserting in lieu thereof "March".

WHEAT

SEC. 204. (a) Section 335 (a) of the Agricultural Adjustment Act of 1938 is amended by striking out the first two sentences thereof and inserting in lieu thereof the following:

"Whenever in any calendar year the Secretary determines—

"(1) that the total supply of wheat for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

"(2) that the total supply of wheat for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for wheat for three successive months of the marketing year so ending does not exceed 66 per centum of parity

the Secretary shall, not later than July 1 of such calendar year, proclaim such fact and, during the marketing year beginning July 1 of the

next succeeding calendar year and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of wheat."

(b) The first sentence of section 336 of the Agricultural Adjustment Act of 1938 is amended by striking out "June 10" and inserting in lieu thereof "July 25".

COTTON

SEC. 205. The first sentence of section 345 of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever during any calendar year the Secretary determines—

"(1) that the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 8 per centum; or

"(2) that the total supply of cotton for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for cotton for three successive months of such marketing year does not exceed 66 per centum of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect with respect to cotton during the marketing year beginning in the next succeeding calendar year."

RICE

SEC. 206. The first sentence of section 355 (a) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"Whenever during any calendar year the Secretary determines—

"(1) that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

"(2) that the total supply of rice for the marketing year ending in such calendar year is not less than the normal supply for such marketing year, and that the average farm price for rice for three successive months of such marketing year does not exceed 66 per centum of parity

the Secretary shall, not later than December 31 of such calendar year, proclaim such fact and, during the marketing year beginning in the next succeeding calendar year and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of rice by producers."

SEC. 207. The Agricultural Adjustment Act of 1938 is amended—

(a) By inserting in section 328 after the words "outside the commercial corn-producing area" the following: "or imported";

(b) By inserting in section 333 after "for such crop" the following: "and imports";

(c) By inserting in section 343 (a) after "August 1 of such succeeding calendar year" the following: "and imports";

(d) By striking out sections 359 (d) and 359 (e);

(e) By striking out of section 385 "or loan" and inserting in lieu thereof "loan, or price support operation".

TOBACCO

SEC. 208. Section 312 (a) of the Agricultural Adjustment Act of 1938 is amended by inserting before the period at the end of the first

sentence a colon and the following: "*Provided*, That the Secretary shall proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year, and shall proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco, and, beginning on the first day of the marketing year next following and continuing throughout such year, a national marketing quota shall be in effect for the tobacco marketed during such marketing year."

TITLE III—MISCELLANEOUS

SECTION 32 FUNDS

SEC. 301. Section 32, as amended, of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (U. S. C., title 7, sec. 612c), is amended by adding at the end thereof the following: "The sums appropriated under this section shall, notwithstanding the provisions of any other law, continue to remain available for the purposes of this section until expended; but any excess of the amount remaining unexpended at the end of any fiscal year over \$300,000,000 shall, in the same manner as though it had been appropriated for the service of such fiscal year, be subject to the provisions of section 3690 of the Revised Statutes (U. S. C., title 31, sec. 712), and section 5 of the Act entitled 'An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June thirtieth, eighteen hundred and seventy-five, and for other purposes' (U. S. C., title 31, sec. 713)."

"PARITY"—OTHER STATUTES

SEC. 302. (a) Section 2 (1) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended to read as follows:

"(1) Through the exercise of the powers conferred upon the Secretary of Agriculture under this title, to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices as defined by section 301 (a) (1) of the Agricultural Adjustment Act of 1938."

(b) Section 8c (18) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended to read as follows:

"(18) The Secretary of Agriculture, prior to prescribing any term in any marketing agreement or order, or amendment thereto, relating to milk or its products, if such term is to fix minimum prices to be paid to producers or associations of producers, or prior to modifying the price fixed in any such term, shall ascertain the parity prices of such commodities. The prices which it is declared to be the policy of Congress to establish in section 2 of this title shall, for the purposes of such agreement, order, or amendment, be adjusted to reflect the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk or its products in the

marketing area to which the contemplated marketing agreement, order, or amendment relates. Whenever the Secretary finds, upon the basis of the evidence adduced at the hearing required by section 8b or 8c, as the case may be, that the parity prices of such commodities are not reasonable in view of the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk and its products in the marketing area to which the contemplated agreement, order, or amendment relates, he shall fix such prices as he finds will reflect such factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest. Thereafter, as the Secretary finds necessary on account of changed circumstances, he shall, after due notice and opportunity for hearing, make adjustments in such prices."

(c) Section 8c (17) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended by striking out "and section 8e".

(d) Section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is repealed.

(e) Section 4 of the Agricultural Marketing Agreement Act of 1937, as amended, is amended by inserting after the section designation the subsection designation "(a)" and by adding at the end thereof a new subsection to read as follows:

"(b) Any program in effect under the Agricultural Adjustment Act, as reenacted and amended by this Act, on the effective date of section 302 of the Agricultural Act of 1948 shall continue in effect without the necessity for any amendatory action relative to such program, but any such program shall be continued in operation by the Secretary of Agriculture only to establish and maintain such orderly marketing conditions as will tend to effectuate the declared purpose set out in section 2 or 8c (18) of the Agricultural Adjustment Act, as reenacted and amended by this Act."

(f) All references in other laws to—

- (1) parity,
- (2) parity prices,
- (3) prices comparable to parity prices, or
- (4) prices to be determined in the same manner as provided by

the Agricultural Adjustment Act of 1938 prior to its amendment by this Act for the determination of parity prices, with respect to prices for agricultural commodities and products thereof, shall hereafter be deemed to refer to parity prices as determined in accordance with the provisions of section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended by this Act.

EFFECTIVE DATE

SEC. 303. Titles II and III of this Act shall take effect on January 1, 1950.

Approved July 3, 1948.

JULY 3, 1948

STATEMENT BY THE PRESIDENT

I have today signed H. R. 6248, the Agricultural Act of 1948. Title I of this Act extends until 1950, with only slight change, the temporary system of rigid price supports for agricultural products which has been in effect since early in the War. Titles II and III of the Act establish another system of price supports, to take effect in 1950.

While the provisions of the Act touch upon only one of the major recommendations I have made to the Congress, they do recognize the importance of price support programs as vital elements in our agricultural and national prosperity. I am glad that the Congress finally took some action on this subject, as I had repeatedly urged it to do.

However, H. R. 6248 does not provide the basic declaration of long-range agricultural policy which is needed to round out the present farm program. Instead, the Congress had to act at the last moment to prevent the death of certain existing programs and found only enough time to make a gesture toward long-range policy. The portions of the bill which approach long-range planning do not go into effect until 1950.

In connection with the price support program continued by this Act, two points should be noted concerning S. 1322, which I signed a few days ago and which continues the Commodity Credit Corporation. In carrying out the price support laws it will be necessary to use the Commodity Credit Corporation. In fact, that is the Corporation's primary function. S. 1322 vests control of the Commodity Credit Corporation in a Board of Directors. H. R. 6248, however, makes the Secretary of Agriculture responsible for supporting the prices of farm products at specified levels. This would appear to create an unworkable separation of authority from responsibility. Fortunately, however, there are provisions in H. R. 6248 which require the price support operations of the Commodity Credit Corporation to be carried out under the supervision of the Secretary of Agriculture. Since H. R. 6248 was signed later than S. 1322, the provisions of H. R. 6248 will, of course, be controlling to the extent that the provisions of the two Acts are in conflict.

S. 1322 also prohibits the Commodity Credit Corporation from continuing its long-standing policy of leasing or acquiring land where necessary for storing commodities as close to the farm as possible. This restriction will mean that the Corporation will have to ship grain for livestock feeding, for example, from farms to distant points for storage, and then later to ship it back again to farm areas. This will obviously increase costs for carrying grain reserves. Only those special interests who will make money by unnecessary handling of grain will profit from this provision -- which will in the end be paid for by farmers and consumers.

In signing H. R. 6248, I wish to make it plain once again that legislation for price supports is only part of the action this Congress should have taken to meet the problems of American agriculture.

The 80th Congress did not enact legislation nor provide adequate funds for strengthening the ~~farm economy~~.

The 80th Congress did not grant adequate funds for marketing research; it did not enact a stand-by program for improving the diets of low-income families.

The 80th Congress did not act on the International Wheat Agreement, negotiated after years of effort to assure United States wheat producers of export outlets. The failure to act on this Agreement means that the very favorable opportunity it offered to assure these export outlets may be lost.

The 80th Congress did nothing to meet the serious problems of rural housing, health and education.

In the field of agriculture, as in so many others, most of the business of the 80th Congress was left unfinished.

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UNITED STATES DEPARTMENT OF AGRICULTURE

AN ANALYSIS OF THE PRINCIPAL PROVISIONS OF THE AGRICULTURAL
ACT OF 1948 AND RELATED LEGISLATION

(Prepared in the Office of the Solicitor)

Introduction

The Agricultural Act of 1948 supplements and amends legislation affecting producers and handlers of agricultural commodities. The Act relates principally to price support, parity, funds for the encouragement of the exportation and domestic consumption of surplus agricultural commodities, import quotas and fees, farm marketing quotas, and conservation payments.

The Act provides for (a) price support beginning at the expiration of pre-existing emergency price support legislation on December 31, 1948 (i) for 1949 on a temporary basis and (ii) for years subsequent to 1949 on a permanent basis, (b) a new parity price formula effective January 1, 1950, (c) the accumulation from fiscal year to fiscal year after January 1, 1950, up to \$300,000,000 of unexpended "section 32" funds which are appropriated annually for the encouragement of domestic consumption and exportation of surplus agricultural commodities, (d) immediate extension of authority for imposition of import quotas and fees so as to bring price support programs within such authority, and (e) continuation of conservation payments until December 31, 1950.

The Act also makes effective January 1, 1950, certain changes (a) in the conditions under which marketing quotas for some of the basic commodities may be proclaimed and in the effective marketing year for such quotas and (b) in the definitions of "normal supply", "total supply", and "carry-over" as affecting programs for the basic commodities.

Price Support

A. Generally.

The Agricultural Act of 1948 amends the permanent legislation for price support as contained in the Agricultural Adjustment Act of 1938. These amendments will not become effective until January 1, 1950. In the meantime, price support is continued under temporary legislation. The enactment of emergency legislation since 1941 has rendered largely inoperative the price support provisions of the 1938 Act. The emergency legislation consists principally of the Stabilization Act of 1942 which will expire with the 1948 crops of the basic commodities, and the so-called Steagall Amendment of 1941 which will expire on December 31, 1948, and also that part of the Agricultural Act of 1948 which makes special provision for price support for 1949.

Agricultural commodities are classified, for price support purposes, as basic and nonbasic, with a temporary subclass of the nonbasic known as Steagall commodities. The basic commodities are cotton, wheat, corn, tobacco, rice and peanuts. All other commodities are nonbasic. The Steagall commodities are hogs; eggs, chickens, turkeys; milk and butterfat; dry peas of certain varieties, dry edible beans of certain

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varieties; soybeans for oil, peanuts for oil; flaxseed for oil; American-Egyptian cotton; potatoes; and sweetpotatoes, -- commodities for which the Secretary formally requested an increase in production during the war emergency period. The special status of the Steagall commodities, as extended by the 1948 Act, will expire December 31, 1949.

The applicable legislation provides for both permissive and mandatory price support programs. Price support is mandatory for all basic commodities, for Irish potatoes and wool, and, until December 31, 1949, for the Steagall commodities. Price support is permissive for all other commodities. Administrative action in inaugurating a price support program, including the level of support, is subject to statutory requirements.

B. Basic Commodities.

1. Level of support. For crops of either the 1948 or 1949 year, including that part of any such crop which is harvested in the following year, the level of mandatory support is 90 percent of the parity price, except for cotton of the 1948 crop for which the level is $92\frac{1}{2}$ percent. For all crops subsequent to the 1949 crop, the level will range between a maximum of 90 percent of the parity price and a minimum of between 60 and 90 percent of the parity price, according to the supply level. The supply level is indicated by the percentage relation of total supply to normal supply, called the "Supply Percentage." If the supply percentage is more than 98 but not more than 102—that is, when the total supply is substantially in balance with the normal supply—the minimum level

of support is 75 percent of the parity price. For each 2 point increase in the supply percentage above 102, the support level decreases one percent but not below 60 percent of the parity price, and for each 2 point decrease in the supply percentage below 98 the support level increases one percent but not above 90 percent of the parity price. For example, when the supply percentage is more than 102 but not more than 104, the minimum level of support is 74 percent of the parity price, and when the supply percentage is more than 96 but not more than 98, the minimum level of support is 76 percent of the parity price. Within the range between the minimum level of support and 90 percent of the parity price, the level of price support is a matter for administrative determination. Special provision is made, applicable to the 1948 and all subsequent crops, for the support of fire-cured tobacco at 75 percent, and of dark air-cured and Virginia sun-cured tobacco at $66\frac{2}{3}$ percent, of the loan rate applicable to Burley tobacco.

2. Cooperation of producers. The basic commodities are those for which acreage allotments and marketing quotas are provided under the Agricultural Adjustment Act of 1938. Acreage allotments for corn, wheat, cotton and rice may be established annually whether or not the supply situation is such as to call for a proclamation of marketing quotas, and quotas for these commodities when established are based upon such acreage allotments. For tobacco and peanuts, the acreage allotments are dependent upon a proclamation of quotas which are converted into the allotments. A proclaimed quota becomes effective

only upon approval by two-thirds of the producers voting in a referendum.

The right of producers in the aggregate in respect to mandatory support for any basic commodity is affected by acreage allotments and marketing quotas, including the disapproval of marketing quotas, for the commodity. For the 1948 and 1949 crops, there is no such support if producers disapprove quotas. For subsequent crops, the level of mandatory support upon the disapproval of quotas is a flat 50 percent of the parity price, regardless of the supply percentage, and, if there are in effect acreage allotments at the beginning of the planting season or marketing quotas at the beginning of the marketing year, the minimum level of price support, as fixed by the supply percentage, is increased 20 percent, but not beyond 90 percent of the parity price. Under a special provision, the support level for tobacco, if marketing quotas are in effect, is a flat 90 percent of the parity price, regardless of the supply percentage.

The right of an individual producer to mandatory price support and the level of such support are also affected by the acreage planted to the commodity after the establishment of a farm acreage allotment, whether or not marketing quotas are in effect. The full measure of mandatory support is accorded only to a "cooperator", that is, a producer whose planted acreage does not exceed the farm acreage allotment, and all cooperators are entitled to such support at the same level, except that as to corn of any crop, except the 1949 crop, cooperators outside the commercial corn producing area are entitled to

support only at 75 percent of the level for cooperators inside the commercial area. A "non-cooperator", that is, a producer who knowingly overplants his acreage allotment, is not entitled to mandatory support for any over-planted crop subsequent to the 1949 crop. For the 1948 and 1949 crops, a non-cooperator is entitled to support only on that part of the commodity in excess of his farm marketing quota and at 60 percent of the level applicable to a cooperator.

C. Nonbasic commodities.

The legislation permits price support for all, and makes price support mandatory as to some, of the nonbasic commodities. There are three periods involved for which separate treatment is given, namely, the calendar year 1948, the calendar year 1949, and calendar years subsequent to 1949. The level of permissive support is discretionary during all such periods except that for any calendar year subsequent to 1949 the level may not exceed 90 percent of the parity price.

Mandatory support is permanent as to some, and temporary as to other, nonbasic commodities. It is temporary for the Steagall commodities. Mandatory support for the Steagall commodities has been authorized since 1941, and the expiration date of such support has been extended from December 31, 1948 to December 31, 1949. All of these commodities, except Irish potatoes, will thereafter fall within the general class of nonbasic commodities for which there will be permissive support only and at a level not exceeding 90 percent of the parity price. Mandatory support for Irish potatoes will be permanently in

effect. Permanent mandatory support is also provided for wool which is a nonbasic, but not a Steagall, commodity.

For the calendar years 1948 and 1949, the legislation declares a policy that the non-mandatory lending and purchase operations of the Department shall be carried out so as to bring the price and income of producers of commodities for which only permissive support is provided into a fair parity relationship with other commodities to the extent that funds are available.

The level of temporary mandatory support for the Steagall commodities for the calendar year 1948 is at least 90 percent of the parity price, and for the calendar year 1949 not less than 60 percent of the parity price nor more than the level of support which prevailed in the year 1948, except that during the calendar year 1949 support at 90 percent of the parity price is required for Irish potatoes harvested before the beginning of the year, milk and its products, hogs, chickens and eggs. The comparable price shall be substituted for the parity price of the Steagall commodities whenever the production or consumption of the commodity has so changed since the base period as to result in a price out of line with parity prices for the basic commodities. Comparable prices are used for soybeans, dry peas, and peanuts for oil.

Irish potatoes harvested in any year after December 31, 1949, are still required to be supported and the level of support is not less than 60 percent nor more than 90 percent of the parity price.

Poultry is subject to a special provision that any permissive support given after December 31, 1949 for turkeys or chickens is

required to be extended to all poultry at the same level as for turkeys or chickens.

The level of mandatory support price for wool for the calendar years 1948 and 1949, and for the first six months of the calendar year 1950, is the same price at which wool was supported in 1946, while thereafter the support price is at such a level between 60 percent and 90 percent of the parity price as is necessary to encourage an annual production of approximately 360,000,000 pounds of shorn wool.

D. Price Support in Excess of Statutory Maximum Level

The maximum level of support is 90 percent of the parity price for any crop of a basic commodity following the 1949 crop and for any non-basic commodity after January 1, 1950. The legislation expressly provides, however, that this maximum may be exceeded as to any particular commodity, basic or nonbasic, whenever it is administratively determined, after a public hearing and finding, that an increased level of support is necessary in order to increase or maintain the production of the commodity in the interest of national security.

E. Underlying Conditions and Methods.

The legislation specifies matters to be considered in determining whether a price support operation shall be undertaken and the level of support; authorizes the administrative establishment of conditions of eligibility to be complied with by producers; and also authorizes administrative adjustments in any support price on account of marketing factors relating to the commodity.

The matters to be considered in connection with any particular commodity consist of the supply of the commodity in relation to the demand therefor, the price levels at which other commodities are being supported, the availability of funds, the perishability of the commodity, its importance to agriculture and the national economy, the ability to dispose of stocks acquired through a price support operation, the need for offsetting temporary losses of export markets, and the ability and willingness of producers to keep supplies in line with demand. The conditions of eligibility to be complied with by producers may relate to acreage allotments, production goals or marketing practices. These matters and conditions are of primary importance in connection with permissive price support operations, and such aspects of mandatory price support operations as rest within administrative discretion.

The administrative adjustments on account of marketing factors relate to differences in such factors as grade, type, staple, quantity and location.

The methods of price support consist of loans, purchases, and other operations and, subsequent to January 1, 1950, also payments and indirect operations such as an improved merchandising practice. The use of any particular method or methods rests within administrative discretion.

The legislation contains specific provision for continuing the non-recourse feature of price support loans. This feature was originally introduced by the Agricultural Adjustment Act of 1938. In the

absence of fraud, the producer is not liable for any deficiency on his loan resulting from a decline in the market value of the commodity securing the loan. The producer may be held liable, however, for deficiencies in the grade, quality and quantity of the commodity.

F. Funds Available.

The funds of Commodity Credit Corporation and section 32 funds are available for price support operations, subject to certain limitations. The funds of the Corporation are derived from its capitalization of \$100,000,000, its borrowing power of \$4,750,000,000, and a reserve for postwar price support consisting of the original sum of \$500,000,000 with a balance on May 31, 1948, of approximately \$385,000,000.

Section 32 funds consist of an appropriation for each fiscal year of an amount equal to 30 percent of the gross receipts from duties for the encouragement of domestic consumption and exportation of surplus agricultural commodities. It is recognized that section 32 programs (and also programs under section 6 of the National School Lunch Act) are effective in supporting prices to producers of the commodities covered by such programs. The facilities of Commodity Credit Corporation may be used in the administration of such programs. The unexpended balance of section 32 funds will accumulate from fiscal year to fiscal year after January 1, 1950, up to \$300,000,000.

The funds of the Corporation may be used in supporting the price of perishable commodities as long as the unexpended balance of section 32 funds at the end of the preceding fiscal year is \$300,000,000 or

1. The first part of the paper is devoted to the study of the properties of the function $f(x)$ defined by the equation

$$f(x) = \int_0^x \frac{1}{1+t^2} dt, \quad (1)$$

where x is a real number. It is well known that this function is the arctangent function, i.e., $f(x) = \arctan x$.

2. In the second part, we consider the function $F(x)$ defined by the equation

$$F(x) = \int_0^x \frac{1}{1+t^2} dt, \quad (2)$$

where x is a real number. It is well known that this function is the arctangent function, i.e., $F(x) = \arctan x$.

3. In the third part, we consider the function $G(x)$ defined by the equation

$$G(x) = \int_0^x \frac{1}{1+t^2} dt, \quad (3)$$

where x is a real number. It is well known that this function is the arctangent function, i.e., $G(x) = \arctan x$.

4. In the fourth part, we consider the function $H(x)$ defined by the equation

$$H(x) = \int_0^x \frac{1}{1+t^2} dt, \quad (4)$$

where x is a real number. It is well known that this function is the arctangent function, i.e., $H(x) = \arctan x$.

5. In the fifth part, we consider the function $I(x)$ defined by the equation

$$I(x) = \int_0^x \frac{1}{1+t^2} dt, \quad (5)$$

where x is a real number. It is well known that this function is the arctangent function, i.e., $I(x) = \arctan x$.

6. In the sixth part, we consider the function $J(x)$ defined by the equation

$$J(x) = \int_0^x \frac{1}{1+t^2} dt, \quad (6)$$

where x is a real number. It is well known that this function is the arctangent function, i.e., $J(x) = \arctan x$.

7. In the seventh part, we consider the function $K(x)$ defined by the equation

$$K(x) = \int_0^x \frac{1}{1+t^2} dt, \quad (7)$$

where x is a real number. It is well known that this function is the arctangent function, i.e., $K(x) = \arctan x$.

8. In the eighth part, we consider the function $L(x)$ defined by the equation

$$L(x) = \int_0^x \frac{1}{1+t^2} dt, \quad (8)$$

where x is a real number. It is well known that this function is the arctangent function, i.e., $L(x) = \arctan x$.

9. In the ninth part, we consider the function $M(x)$ defined by the equation

$$M(x) = \int_0^x \frac{1}{1+t^2} dt, \quad (9)$$

less and then only to the extent that the reserve for postwar price support is sufficient to cover any losses that may be incurred in such operations. This limitation is not applicable where the perishable commodity is reasonably storable without excessive loss or excessive cost, or to Irish potatoes regardless of storability, or where it is sought to support the price of a non-storable perishable commodity through a loan or other operation with respect to a storable product of the commodity.

G. Restrictions on Disposition of Commodities.

The Agricultural Act of 1948 imposes a restriction, effective January 1, 1950, on the disposition by Commodity Credit Corporation of farm commodities owned or controlled by it. The restriction is comparable to the existing restriction which expires on December 31, 1948. The principal purpose of the restriction is to avoid the impairment of price support programs.

The restriction presently in effect prohibits the sale of a commodity at less than the parity price, with important exceptions. The restriction which becomes effective January 1, 1950, is on the sale of a commodity at less than a price determined on a reimbursable pricing basis for the Corporation's stocks of the commodity, or a price half-way between the support price, if any, and the parity price, or a price equivalent to 90 percent of the parity price, whichever price is lowest.

The exceptions to the new restriction are also comparable to those now in effect. The exceptions relate principally to sales where the

commodity is deteriorated, or, if perishable, where there is danger of loss through spoilage, and sales for export. The exceptions also include sales for other than primary uses, including new or byproduct uses, the sale of peanuts for the extraction of oil, the sale of a commodity for seed or feed, and sales to establish claims. The sale of wool also falls within the exceptions.

Reference is made to two other statutory provisions relating to the disposition of commodities owned by Commodity Credit Corporation. The provision of the Agricultural Adjustment Act of 1938 that cotton may not be sold for less than reimbursement price and in a quantity more than 300,000 bales a month or 1,500,000 bales a calendar year is suspended until December 31, 1948, and is repealed as of January 1, 1950. It will, therefore, be technically in effect only during the calendar year 1949. There will continue in effect through 1949 the provision of the Surplus Property Act of 1944 authorizing the disposition of any agricultural commodity or product thereof for export at competitive world prices for cash, the equivalent of cash, or adequately secured credit, without regard to any other restriction, unless such disposition would interfere with our normal domestic requirements for food.

New Parity Formula

A new parity price formula, applicable to all agricultural programs, will come into effect on January 1, 1950. In the meantime, the old parity formula will continue in effect. The agricultural programs

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affected by parity are price support, farm marketing quota, and marketing agreement and order programs.

The parity price under the old formula for any particular commodity is determined by multiplying the average price received by farmers for the commodity during a base period by the parity index. The parity index is used in order to bring farm prices into the desired relation with non-farm prices. The index is the ratio of the current level of prices of articles and services purchased by farmers to the level of such prices during the base period.

The base period under the old formula is not the same for all programs nor for all commodities under the same program. The base period is August 1909 to July 1914 for all commodities, excepting that (a) under marketing agreement and order programs, the base period is August 1919 to July 1929 for tobacco of all kinds and potatoes and this base period is required to be used also for any other commodity in respect to which the purchasing power during the 1909-14 period cannot be satisfactorily determined and (b) under the price support and farm marketing quota programs, the base period is August 1934 to July 1939 for Burley and flue-cured tobacco and August 1919 to July 1929 for other kinds of tobacco. There is, however, a special base period, August 1936 to July 1941 for Maryland tobacco which will be effective under the provisions of the Act of 1948 relating to temporary price support.

The parity index used under the old formula reflects in all cases the prices of articles and services purchased by farmers and, with respect to all commodities for which the base period is 1909-14,

reflects also the current interest payments per acre on farm indebtedness secured by real estate and tax payments per acre on farm real estate.

The new parity formula, including the parity index, adopts the same base period for all commodities and all programs. The parity index reflects, in addition to prices, interest and taxes paid by farmers. The base period is January 1910 to December 1914, inclusive. The distinguishing feature of the new formula is that it adopts an "adjusted base price" in determining the parity price for a particular commodity. This "adjusted" price is used in place of the average price actually received in the base period for the commodity. The adjustment takes into consideration the general level of farm prices for all agricultural commodities, first, during the most recent ten-year period, and, secondly, during the 1910-14 period. The ratio of the former to the latter gives an index number by which the average farm price of the particular commodity under consideration during the same most recent ten-year period is divided. The quotient is regarded as the "adjusted base price" for the particular commodity. The parity price under the new formula is obtained by multiplying this quotient, or "adjusted base price", by the current parity index.

The parity price under the new formula may equal, or it may be lower or higher than, that calculated under the old formula. If it is lower, a transitional parity price will be used until such time as it becomes the lower of the two prices. The transitional parity price, as of any date, consists of the parity price under the old formula less

five percent thereof multiplied by the number of calendar years which shall have lapsed after January 1, 1949.

The new parity price, including the transitional price, of any particular commodity may be revised where it appears after a public hearing that such price is seriously out of line with the parity prices of other commodities, and such a hearing must be held when requested by a substantial number of interested producers.

The new parity price formula applies after January 1, 1950, to all agricultural programs, including marketing agreement and order programs under the Agricultural Marketing Agreement Act of 1937, but any marketing agreement or order in effect on January 1, 1950, may continue in effect without the necessity of amendatory action as long as such agreement or order tends to effectuate the legislatively declared policy.

The operation of the new parity formula, as projected into the year 1950, may be illustrated, in the case of corn as an example, upon the assumption that the level of farm prices and the indices used in the computation of parity will be the same then as they were in July 1948. The parity price for corn would be \$1.42 per bushel under the new "adjusted base price" formula and \$1.61 per bushel under the old formula. The transitional parity price would be \$1.53 per bushel, which is the old parity price of \$1.61 per bushel less five percent thereof by reason of the lapse of one full calendar year since January 1, 1949. The effective parity price is the transitional price since it is higher than the parity price under the new "adjusted base price" formula. The parity

price of \$1.42 per bushel under the "adjusted base price" formula is obtained as follows: The general level of prices for all agricultural commodities for the ten-year period, 1940-49, is 168 percent of the level for the base period, 1910-14. The "all commodity" price index is, therefore, 1.68. The average farm price of \$0.953 for corn during said ten-year period, when divided by 1.68, gives an "adjusted base price" of \$0.567. The present level of prices paid by farmers for articles purchased by them is 251 percent of the level in the base period 1910-14, giving a parity index of 2.51. The "adjusted base price" of \$0.567 a bushel for corn, when multiplied by the parity index of 2.51, gives a parity price of \$1.42 a bushel. The parity price of \$1.61 under the old parity price formula is obtained by multiplying the average price of \$0.642 for corn in the 1910-14 base period by the parity index of 2.51. The "all commodity" index of 1.68 and the parity index of 2.51 would be applicable in computing the parity price for any commodity.

Extension of Authority to Impose
Import Quotas and Fees

The authority of the President under section 22 of the Agricultural Adjustment Act of 1933, as amended by the Agricultural Marketing Agreement Act of 1937, to impose import quotas or fees on any commodity the importation of which would interfere with the operation of certain agricultural programs is amended in several particulars, including the extension of the authority of this section to price support programs. This amendment became effective July 3, 1948.

Changes in Conditions for Proclaiming Marketing Quotas
and in Method of Calculating "Supply"

The Agricultural Act of 1948 changes the conditions under which marketing quotas are to be proclaimed for all of the basic commodities except peanuts. It also changes the definitions of "carry-over", "total supply" and "normal supply" as applied to some of the basic commodities in the establishment of marketing quotas and acreage allotments. The definitions of "total supply" and "normal supply" will also become important in determining the minimum level of mandatory price support for the basic commodities. The legislation which is changed is that contained in the Agricultural Adjustment Act of 1938. The changes will become effective January 1, 1950.

The changes in the definitions of "carry-over", as affecting all of the basic commodities except tobacco and wheat, and in the definition of "total supply", as affecting all of the basic commodities except tobacco, have the effect principally of adding peanuts to each definition and of bringing imports of each of the commodities within the definitions. The present definitions of "carry-over" comprise that part of each commodity produced and on hand in the United States, except that it includes wheat produced elsewhere but on hand here and cotton on hand elsewhere but produced here. Wheat, therefore, is the only commodity for which imports are presently required to be taken into account in determining carry-over. The new legislation does not change the definition for wheat, which includes imports, nor does it change the definition

for tobacco, which excludes imports. The new definition of "carry-over" for cotton, however, excludes foreign held stocks of cotton produced here. The present definition of "total supply" comprises estimated domestic production plus carry-over. As indicated above, the changed definition adds estimated imports except in the case of tobacco. Consistently with the changes thus made in the definitions of "carry-over" and "total supply" so as to include imports, the new legislation requires that imports be used also in determining acreage allotments for wheat and corn and the national baleage allotment for cotton which is converted into acreage allotments.

The change in the definition of "normal supply", as affecting all the commodities except tobacco, is a substantial change. The new definition adds "peanuts" and makes the "normal supply" of each of these commodities more representative of current needs than is presently the case in the use as to corn, wheat, cotton and tobacco of a ten-year average, and as to rice of a five-year average, of domestic consumption and exports, plus a percentage thereof varying in amount as to each commodity. The new definition states that "normal supply" for any marketing year shall be the sum of estimated domestic consumption for the preceding marketing year and estimated exports for the marketing year involved plus, as an allowance for carry-over, a percentage of consumption and exports varying in amount as to each commodity. The carry-over percentages are -- corn 7 percent, cotton 30 percent, rice 10 percent, and wheat and peanuts 15 percent. The "normal supply" is adjustable for current trends in consumption and unusual conditions. There has been

no change in the definition in respect to tobacco for which the "normal supply" consists of a normal year's domestic consumption and exports plus, as a carry-over allowance, 175 percent of the consumption and 65 percent of the exports.

The supply conditions presently required for the proclamation of quotas are an excess of "total supply" over "normal supply" (as these terms are defined in the 1938 Act) by more than 5 percent for tobacco, 10 percent for corn and rice, and 7 percent for cotton; while for wheat the requirement is that "total supply" exceed a "normal year's domestic consumption and exports" by more than 35 percent. For peanuts, a quota is required to be proclaimed each year without regard to the supply situation.

The new legislation makes no change in the requirement as to peanuts or tobacco except that the supply conditions under which a quota for any kind of tobacco is to be proclaimed after January 1, 1950, are, to some extent, rendered inoperative by the new requirement for a proclamation of a quota for each kind of tobacco for which a quota was proclaimed in the preceding year and also a quota for Virginia sun-cured tobacco for each year for which a quota is proclaimed for fire-cured tobacco.

The new legislation changes the supply conditions under which quotas are to be proclaimed for corn, wheat, cotton and rice and also the year during which quotas for such commodities are to become effective. The changes require a proclamation of a quota upon a determination in any calendar year that the total supply of the commodity

for the marketing year beginning in such calendar year will exceed the "normal supply" by more than 20 percent for corn, wheat and rice and 8 percent for cotton, or that for the marketing year ending in such calendar year the "total supply" is not less than the "normal supply" and the average farm price for three successive months does not exceed 66 percent of the parity price. The "normal supply" and the "total supply" will be determined in accordance with the new definitions of these terms. The quota thus proclaimed in any calendar year would be in effect, as to wheat, cotton and rice, to marketings during the marketing year beginning in the next succeeding calendar year and, as to corn, to the crop grown in such succeeding calendar year.

The new legislation makes certain changes in the amount of national marketing quotas, of national acreage allotments, and of the national baleage allotment for cotton which is converted into acreage allotments. National marketing quotas for tobacco and peanuts are converted into acreage allotments which are established only upon the proclamation of the quota. National acreage allotments for corn, wheat and rice, and the national baleage allotment for cotton which is converted into acreage allotments, may be established annually whether or not the supply situation is such as to call for a proclamation of quotas, and any proclaimed quota is based upon such acreage allotments. The national quota, the amount of which is specifically provided for only in the case of tobacco, peanuts and rice, the national acreage allotments for corn, wheat and rice, and the national baleage allotment for cotton, are such

in each case as will make available a given supply. The supply to be made available by quotas for tobacco and rice is the normal supply plus, as to tobacco, 5 percent thereof, while for peanuts the supply to be made available by the quota is the average harvest for nuts for the preceding five years, adjusted for current trends and prospective demand conditions. The acreage allotments in the case of corn and wheat are such as to make available a supply equal to a normal year's domestic consumption and exports plus 10 percent in the case of corn and 30 percent in the case of wheat, and, in the case of rice, to make available a supply equal to the normal supply. The national baleage allotment for cotton is also such as will make available a supply equal to the normal supply.

The new legislation makes no change in the amount of the national quota for tobacco, rice and peanuts except insofar as the definition of "normal supply" has been changed in its application to rice. Nor has any change been made in the acreage allotments for corn, wheat and rice and the national baleage allotment for cotton except insofar as imports are required to be considered in making the determination of the allotments for corn, wheat and cotton and as changes are made in the definitions of "carry-over" as applied to corn, wheat, cotton and rice and of "normal supply" as applied to cotton and rice. The requirement that quotas be approved by two-thirds of the producers of the commodity in a referendum is not changed. The amounts of national marketing quotas, national acreage allotments, and the national baleage allotment for cotton are subject to exceptions not material here.

Extension of Period for Making
Conservation Payments

The authority of the Secretary of Agriculture to make conservation payments to producers of agricultural commodities, as contained in sections 7 to 17 of Soil Conservation and Domestic Allotment Act, is extended for a period of two years from December 31, 1948, to December 31, 1950.

This analysis is not an interpretation of the law in its application to specific situations. A careful study of the relevant provisions of the law will be necessary in the solution of particular problems as they arise.

SUMMARY OF
"AGRICULTURAL ACT OF 1948"

Essentially this act combines the price support provisions of the Aiken Bill which provides for a long range agricultural program with those of H.R. 6248, the price support extension bill, introduced by Mr. Hope. The act extends existing price support legislation to basic commodities marketed before June 30, 1950, and with certain important modifications, to Steagall commodities marketed before January 1, 1950. Beyond these dates, it enacts the parity and price support provisions of the Aiken Bill.

More specifically, Title I of the act provides price support for crops produced and livestock and livestock products marketed in 1949 as follows:

(a) Basic commodities: Prices received by cooperating producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950, are to be supported at 90 percent of parity. Price supports to non-cooperators are to be 54 percent of parity, and only on so much of the commodity as would be subject to penalty if marketed.

The parity base period for Maryland tobacco is changed to August 1936 to July 1941. As of May 15, 1948, this would increase the parity price of Maryland tobacco from 38.0 cents per pound to 48.8 cents per pound.

(b) Prices of Irish potatoes harvested before January 1, 1949, and prices of milk and its products, hogs, chickens, and eggs marketed before January 1, 1950, shall be supported at 90 percent of the parity or comparable price;

(c) Prices of other Steagall commodities (mandatory) shall be supported until January 1, 1950, at not less than 60 percent of the parity or comparable price nor at more than the level at which the commodity was supported in 1948;

(d) The price of wool is to be supported at the 1946 price support level (about 42 cents a pound) until June 30, 1950;

(e) Section 4(b) of the Steagall Amendment, which applies to commodities for which price support is permissive rather than mandatory, is extended to January 1, 1950;

(f) The Secretary has authority to require compliance with production goals and marketing regulations (including marketing agreements and orders) as a condition of eligibility of producers for price support. This applies to all commodities except the basic commodities, which have other provisions for this purpose, and wool.

In addition, Title I revises Section 22 of the Agricultural Adjustment Act to make possible the application of import quotas or fees on any agricultural commodity if such imports may jeopardize the effectiveness of price support operations.

TITLE II

Title II of the act, which goes into effect January 1, 1950, revises the parity price formula, changes the definitions of carry-over, normal supply, and total supply for basic commodities which had been contained in the Agricultural Adjustment Act of 1938, and provides for a new set of support price schedules and conditions for the period beginning January 1, 1950.

The major provisions may be described briefly as follows:

(1) Parity price: The parity price for any agricultural commodity shall be determined by dividing the average price received by farmers for that commodity during the preceding ten calendar years (or during the 10 marketing seasons beginning within this period) by the index of prices received by farmers for all commodities during the same period to obtain an "adjusted base price." This adjusted base price is then multiplied by the current index of prices paid, interest, and taxes to obtain the current parity price. The prices received index and the index of prices paid are the indexes as regularly published by the Bureau of Agricultural Economics on the 1910-14 base.

Illustrations of the calculation of parity prices of a selected list of commodities according to this new definition appear in the attached table.

In addition, transitional parity prices are provided for commodities whose parity prices as calculated under the Agricultural Adjustment Act of 1938 are higher than the parity prices as calculated above. The transitional parity price of a commodity at any date shall be its parity price as calculated under the Agricultural Adjustment Act of 1938 less 5 percent of the parity price so determined, multiplied by the number of full calendar years which have elapsed after January 1, 1949. This means that as of January 1, 1950, when Title II goes into effect, the transitional parity price, where applicable, will be 95 percent of the parity price as formerly calculated.

The Secretary of Agriculture may, after a public hearing, put into effect for particular commodities a revised method of computing parity if their parity prices as provided for above appear to be seriously out of line with the parity prices of other agricultural commodities.

The definition of parity income is revised. Since no operating provisions of this bill are based on parity income it is assumed that this is a direction to the Department to begin studies leading to a quantitative measure of parity income and the relation of parity income to parity prices and action programs based on parity prices.

(2) Carry-over: The definition of carry-over for cotton is changed to exclude foreign held stocks of cotton which was produced in the United States. A definition of carry-over for peanuts is added because it is needed in the determination of price support level.

(3) Normal supply: The normal supply of corn, cotton, rice, wheat, and peanuts for any marketing year is defined as the estimated domestic consumption of the commodity during the preceding marketing year plus the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus an allowance for carry-over. The Secretary is directed to take account of current trends in consumption and unusual conditions in determining normal supply. Normal supply in the case of tobacco shall be a normal year's domestic consumption and exports, plus 175 percent of a normal year's domestic consumption and 65 percent of a normal year's exports as an allowance for a normal carry-over.

(4) Total supply: Total supply for basic commodities other than tobacco is defined as the carry-over of the commodity at the beginning of the marketing year plus estimated production and imports. Total supply of tobacco is defined as carry-over plus production.

(5) Price support: The Secretary is given general authority to support prices of agricultural commodities to producers through loans, purchases, payments, and other operations.

(a) Basic commodities: Title II provides a schedule of minimum price supports for the basic commodities with a moving floor ranging from 60 percent of parity when the total supply is more than 130 percent of the normal supply up to 90 percent of parity when the total supply is less than 70 percent of the normal. Whenever acreage allotments or marketing quotas are in effect, the minimum support price provided in the schedule is automatically increased by 20 percent, but the support shall not exceed 90 percent of parity. It should be pointed out that the schedule of price supports for the basic commodities in Title II is a minimum level, and that the Secretary has authority to support prices of these commodities at as high as 90 percent of parity.

An exception is made in the case of tobacco, which is to be supported at 90 percent of parity in any year in which marketing quotas are in effect. Under Title II, marketing quotas for major types of tobacco, except Maryland and cigar leaf, will, for all practical purposes, be in effect every year unless disapproved by more than one-third of the producers voting in a referendum.

The support levels for basic commodities stated above apply only to cooperators. The level of support to non-cooperators is discretionary. In the event that quotas are disapproved by more than one-third of the affected producers voting in a referendum the support level shall be 50 percent of parity.

(b) Nonbasic commodities: The Secretary is authorized to support prices of nonbasic commodities at any level up to 90 percent of parity, taking into consideration the ability and willingness of producers to keep supplies in line with demand and other factors. Storable nonbasic commodities may be supported with the aid of regular Commodity Credit Corporation funds. Non-storable nonbasic commodities (except Irish potatoes)

can be supported only by means of Section 32 funds and the Commodity Credit Corporation reserve for the postwar price support of agriculture. However, regular funds of the Corporation may be used to support the prices of non-storable nonbasic commodities through operations with respect to storable commodities processed from such commodities.

In addition, the Secretary is directed to support the price of wool at such a level not less than 60 percent or more than 90 percent of parity as he may consider necessary to encourage an annual production of 360 million pounds of shorn wool, and to support the price of Irish potatoes harvested after December 31, 1949, at not less than 60 percent nor more than 90 percent of parity. The act further specifies that if any price support operation is undertaken with respect to either turkeys or chickens the same operations shall be applicable to broilers, ducks and ducklings and other poultry. Compliance with acreage allotments, production goals and marketing practices (including marketing agreements and orders) prescribed by the Secretary may also be required as a condition of eligibility for price support under Title II.

(c) Other provisions: In the event that the Secretary, after a public hearing, finds support price levels higher than 90 percent of parity to be "necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security," he may put such higher supports into effect.

The Commodity Credit Corporation is directed not to sell any farm commodity owned or controlled by it at such levels as would substantially impair the effectiveness of current price support operations. Certain sales by CCC are excepted from this directive.

(6) Marketing quotas: Title II amends provisions of the Agricultural Adjustment Act of 1938 regarding conditions which must exist before marketing quotas may be proclaimed. Marketing quotas for corn, wheat, cotton, and rice may be proclaimed when it is estimated that the total supply for the marketing year in question will exceed the normal supply by more than 20 percent (8 percent in the case of cotton) or when the average farm price for three successive months of the preceding marketing year has been 66 percent of parity or less provided the supply is not less than the normal supply. In every year, the Secretary is to proclaim a marketing quota for each kind of tobacco for which a marketing quota was proclaimed for the immediately preceding marketing year, and to proclaim a marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco. Prior legislation which is not changed by this act provides that marketing quotas be proclaimed for peanuts each year. All marketing quotas are to take effect unless opposed by more than one-third of the farmers voting in a referendum.

TITLE III

Title III provides that beginning with fiscal year 1950, any excess of Section 32 funds over current expenditures from this source may be accumulated up to a maximum of 300 million dollars. In addition, it provides that marketing agreement programs in effect under the Agricultural Marketing Agreement Act of 1937 are amended to include the definition of parity prices in the Agricultural Act of 1948 and shall continue in effect without the necessity for any special amendatory action relative to such programs. All references in other laws to parity or parity prices shall be deemed to refer to parity prices as determined in accordance with this new act.

Prices received by farmers, parity prices and parity prices according to provisions of the Agricultural Act of 1948, (without regard to transitional parity prices) United States, June 15, 1948

Commodity	Unit	Price received	1938-47 prices	Parity prices	June 15
		by farmers	adjusted to	Agricultural	
		Jan. 1938 -	1910-14 levels	Act of 1948	Present
		Dec. 1947 <u>1/</u>	<u>2/</u>	<u>3/</u>	formula
		(1)	(2)	(3)	(4)
		Dollars	Dollars	Dollars	Dollars
<u>Field crops</u>					
Wheat	Bu.	1.22	.726	1.82	2.22
Corn	"	.953	.567	1.42	1.61
Oats	"	.550	.327	.821	1.00
Barley	"	.808	.481	1.21	1.55
Rice	"	1.44	.857	2.15	2.04
Rye	"	.973	.579	1.45	1.81
Grain sorghums ...	Cwt.	1.56	.930	2.33	3.04
Flaxseed	Bu.	2.78	1.65	4.14	4.24
Dry field peas ...	Cwt.	3.75	2.23	5.60	5.25
Beans, dry edible :	"	5.56	3.31	8.31	8.46
Soybeans	Bu.	1.66	.988	2.48	2.41
Peanuts	Lb.	.062	.037	.093	.120
Cotton	"	.1808	.1076	.2701	.3112
Cottonseed	Ton	44.60	26.50	66.52	56.60
Flue-cured tobacco:	Lb.	.336	.200	.502	.488
Burley tobacco ...	"	.340	.202	.507	.473
Potatoes	Bu.	1.08	.643	1.61	1.86
Sweetpotatoes	"	1.54	.917	2.30	2.20
<u>Fruits</u>					
Apples	Bu.	1.81	1.08	2.71	2.41
Grapefruit	Box	.752	.448	1.12	2.08
Lemons	"	1.56	.929	2.33	3.35
Oranges	"	1.55	.923	2.32	3.80
<u>Livestock & products:</u>					
Hogs	Cwt.	12.50	7.44	18.67	18.20
Beef cattle	"	10.90	6.49	16.29	13.60
Veal calves	"	12.30	7.32	18.37	16.90
Sheep	"	5.71	3.40	8.53	11.40
Lambs	"	11.90	7.08	17.77	14.80
Butterfat	Lb.	.444	.264	<u>4/</u> .663	<u>4/</u> .660
Milk, wholesale ...	Cwt.	2.81	1.67	<u>4/</u> 4.19	<u>4/</u> 4.02
Chickens	Lb.	.204	.121	.304	.286
Turkeys	"	.245	.146	.366	.361
Eggs	Doz.	.312	.186	<u>4/</u> .467	<u>4/</u> .540
Wool	Lb.	.350	.208	.522	.459

- ^{1/} Exceptions - tobacco, potatoes, oranges, grapefruit and lemons which are weighted season averages for the 10 marketing seasons beginning in the period 1938-1947.
- ^{2/} Column (1) divided by 1938-47 average of the index of prices received by farmers (168).
- ^{3/} Prices in column (2) multiplied by the index of prices paid, interest and taxes for June 1948 (251).
- ^{4/} Not adjusted for seasonal variation.

[COMMITTEE PRINT]

AGRICULTURAL ACT OF 1948

A SUMMARY OF
THE AGRICULTURAL ACT OF 1948 AND A
COMPARISON OF ITS PROVISIONS WITH
CURRENT PRICE SUPPORT PROGRAMS
FOR THE
COMMITTEE ON AGRICULTURE
OF THE
HOUSE OF REPRESENTATIVES
EIGHTIETH CONGRESS
SECOND SESSION

JULY 26, 1948



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SUMMARY OF AGRICULTURAL ACT OF 1948 AND A COMPARISON OF ITS PROVISIONS WITH CURRENT PRICE-SUPPORT PROGRAMS

I. PRELIMINARY STATEMENT

The Agricultural Act of 1948 is in effect a combination of H. R. 6248 as it passed the House, and the support price and parity provisions of S. 2318 as it passed the Senate. In general, the Agricultural Act of 1948 provides two separate price-support programs for agricultural commodities. One program is to be in effect during 1949. The other program which is to come into effect in 1950 revises the parity formula and establishes a permanent program for supporting the prices of agricultural commodities. The act consists of three titles.

Title I provides price support for agricultural commodities throughout 1949. The level of price support for the basic and certain specified nonbasic commodities is substantially the same level of price support now accorded such commodities. Price support authorized for other commodities is on a flexible basis and on somewhat reduced levels.

Titles II and III provide for a revision of the parity formula and for permanent price support beginning with the year 1950. The level of price support for the basic commodities is mandatory and, with the exception of tobacco, ranges from 60 to 90 percent of the parity price depending upon the level of supply. Tobacco is to be supported at 90 percent of parity. For the nonbasic commodities (commodities other than basic), except potatoes and wool, price support is permissive rather than mandatory. The level of such support is discretionary with the Secretary of Agriculture and may range from 0 to 90 percent of the parity or comparable price. Certain limitations are placed upon the authority of the Secretary to give price support to perishable commodities. Potatoes and wool are the only nonbasic agricultural commodities which are given mandatory price support and the level of such support ranges from 60 to 90 percent of parity.

II. CURRENT PRICE-SUPPORT PROGRAMS IN EFFECT UNDER EXISTING LAW

Under existing law, price-support programs fall generally into four categories:

(1) *Basic commodities*.—The basic commodities (corn,¹ cotton, peanuts, rice, tobacco, and wheat) are required to be supported through the 1948 crop by loans at the following rates: To cooperators (those who do not exceed farm acreage allotments), 90 percent of parity (cotton at 92½ percent parity); to noncooperators, 54 percent of parity and only on so much of the commodity as would be subject to penalty under the agricultural Adjustment Act of 1938 if marketed. After

¹ Corn produced by cooperators outside the commercial corn-producing area would be required to be supported at 75 percent of the level at which corn is supported for cooperators in the commercial corn-producing area.

the 1948 crop, if the Agricultural Act of 1948 had not been enacted, price support for the basic commodities would have reverted to the Agricultural Adjustment Act of 1938 which specifically directed loans to be made on wheat, cotton, corn, and peanuts with the rates ranging from 50 percent of parity to 75 percent of parity to cooperators (with correspondingly lower rates to noncooperators) and authorized loans to be made on other commodities at rates fixed by the Secretary of Agriculture subject to the approval of the Commodity Credit Corporation and the President.

(2) *Steagall commodities*.—The Steagall commodities, those commodities with respect to which the Department of Agriculture by public announcement requested expanded production during the war (hogs, eggs, chickens, turkeys, milk and butterfat, dry peas of certain varieties, dry edible beans of certain varieties, soybeans for oil, flaxseed for oil, peanuts for oil, American-Egyptian cotton, potatoes, and sweetpotatoes) are required to be supported through December 31, 1948, at not less than 90 percent of the parity or comparable price.

(3) *Wool*.—Wool, under existing legislation, is required to be supported through December 31, 1948, at the 1946 support price.

(4) *Other commodities*.—With respect to other agricultural commodities, it is declared to be the policy of Congress that the lending and purchase operations of the Department of Agriculture shall be carried out so as to bring the price and income of the producers of such commodities to a fair parity relationship with the basic commodities and the Steagall commodities, to the extent that funds are available for such operations. In the absence of further legislation, this declaration of policy would have terminated on December 31, 1948.

III. PRICE SUPPORT AUTHORIZED UNDER THE AGRICULTURAL ACT OF 1948

A. PRICE SUPPORT FOR 1949

The Agricultural Act of 1948 provides for price support for agricultural commodities in 1949. It continues, in substance, the same general classification of commodities for price-support purposes as are contained in existing law, namely, basic commodities, Steagall commodities, wool, and other commodities.

For 1949, the following levels of support are provided for the different classes of commodities:

(1) *Basic commodities*.—The basic commodities corn, cotton, peanuts, rice, tobacco,² and wheat are given mandatory price support through loans, purchases, or other operations at the following rates if producers have not disapproved marketing quotas: To cooperators (those who do not exceed farm acreage allotments), 90 percent of parity; to noncooperators, 54 percent of parity, and only on so much of the commodities as would be subject to penalty under the Agricultural Adjustment Act of 1938 if marketed.

(2) *Steagall commodities*.—(a) Irish potatoes harvested before January 1, 1949, milk and butterfat, hogs, chickens, and eggs marketed before January 1, 1950, are given mandatory price support at 90 percent of the parity or comparable price;

² In computing the parity price of Maryland tobacco during this period, the base period is changed from August 1919–July 1929 to August 1936–July 1941. As of June 15, 1948, this would increase the parity of Maryland tobacco from 38 cents per pound to 49 cents per pound.

(b) Other Steagall commodities: Dry peas (certain varieties), dry beans (certain varieties), soybeans for oil, flaxseed for oil, peanuts for oil, American-Egyptian cotton, potatoes, sweetpotatoes, and turkeys are given mandatory price support at not less than 60 percent of the parity or comparable price and not more than the level of the parity or comparable price at which such commodities were supported in 1948, which in most instances was 90 percent of the parity or comparable price.

(3) *Wool*.—Wool is given mandatory price support until June 30, 1950, at the 1946 support price level.

(4) *Other commodities*.—Price support is authorized for other agricultural commodities at the discretion of the Secretary. Such price-support programs as may be in effect with respect to such commodities shall be carried out so as to bring the price and income of the producers of such commodities to a fair parity relationship with the basic commodities and the Steagall commodities. Such price support is dependent on the availability of funds for such operations.

B. PRICE SUPPORT FOR 1950 AND SUBSEQUENT YEARS

The permanent price-support programs authorized under the Agricultural Act of 1948 which are to take effect in 1950 are applicable generally to two principal classes of commodities, namely, basic commodities and nonbasic commodities.

(1) *Basic commodities (cotton, corn,³ peanuts, rice, tobacco, and wheat)*.—Price support is directed to be made available to cooperators (those who do not exceed farm-acreage allotments when in effect) through loans, purchases, direct payments, or other operations on corn, cotton, peanuts, rice, and wheat, at minimum levels ranging from 60 to 90 percent of parity, depending on the relation between the total supply of the commodity for the year and the normal supply. This schedule of minimum price support ranges from 60 percent of parity when the total supply is more than 130 percent of the normal supply, up to 90 percent of parity when the total supply is less than 70 percent of the normal supply. Whenever acreage allotments or marketing quotas are in effect, the minimum support price provided in the schedule is automatically increased by 20 percent, except that the support level may not exceed 90 percent of parity. The levels of price support specified for the basic commodities are the minimum levels which must be accorded producers if marketing quotas have not been disapproved. The Secretary of Agriculture is given discretionary authority to support the prices of these commodities at levels as high as 90 percent of parity.

Tobacco is required to be supported at 90 percent of parity in any year in which marketing quotas are in effect.

The support levels referred to above for the basic commodities are applicable only to cooperators. Price support and the level thereof to noncooperators is discretionary with the Secretary of Agriculture.

In the event that quotas are disapproved by more than one-third of the affected producers voting in a referendum, the support level is 50 percent of parity.

³ Corn produced by cooperators outside the commercial corn-producing area would be required to be supported at 75 percent of the level at which corn is supported for cooperators in the commercial corn-producing area.

(2) *Nonbasic commodities (commodities other than basic commodities).*—Except for wool, Irish potatoes, and perishables, price support is authorized, at the discretion of the Secretary of Agriculture, for nonbasic commodities at levels ranging from 0 to 90 percent of parity. In providing price support for nonbasic commodities, the Secretary is required to take into consideration the following broad legislative standards:

- (a) The supply of the commodity in relation to the demand therefor;
- (b) The price levels at which other commodities are being supported;
- (c) The availability of funds;
- (d) The perishability of the commodity;
- (e) Its importance to agriculture and the national economy;
- (f) The ability to dispose of stocks acquired through a price-support operation;
- (g) The need for offsetting temporary losses of export markets;
- (h) The ability and willingness of producers to keep supplies in line with demand.

(3) *Special provisions applicable to specific nonbasic agricultural commodities.*—(a) Wool: The Secretary of Agriculture is directed to support the price of wool at such level not less than 60 percent and not more than 90 percent of parity as he may consider necessary to encourage an annual production of 360,000,000 pounds of shorn wool. (Current production of shorn wool is substantially below 360,000,000 pounds, therefore, the support level of wool for a number of years will be at 90 percent of parity.)

(b) Irish potatoes: The Secretary of Agriculture is directed to support the price of Irish potatoes at not less than 60 percent and not more than 90 percent of parity.

(4) *Perishable nonbasic commodities.*—With certain exceptions, price support is prohibited with respect to any nonbasic agricultural commodity (except Irish potatoes) which is so perishable in nature as not to be reasonably storable without excessive loss or excessive cost. An exception is made to permit price support to be given to any perishable nonbasic commodity by operations undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity. A further exception is made to permit the Secretary of Agriculture to support the price of any such perishable nonbasic agricultural commodity through other means available such as those provided by section 32 of Public Law No. 320, Seventy-fourth Congress, as amended, and by funds appropriated for agricultural price support which are sufficient to cover any loss which may be incurred.

(5) *Incentive price support.*—In the event that the Secretary of Agriculture, after a public hearing, finds support price levels higher than 90 percent of parity to be necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security, he is authorized to put higher price supports into effect.

IV. METHODS OF CARRYING OUT PRICE-SUPPORT PROGRAMS

In carrying out price-support programs, the Secretary of Agriculture is authorized after January 1, 1950, in addition to loans, purchases, and other operations, to make direct payments as a means of price

support. Prior to that time price support is authorized to be carried out through loans, purchases, and methods other than by direct payments to farmers.

Loans under the price-support program are required to be "non-recourse"; that is, the producer shall not be personally liable for any deficiency arising from the sale of the commodity. However, it is provided that this shall not be construed to prevent the Department from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the program. A comparable provision now exists with respect to commodities supported under the Agricultural Adjustment Act of 1938, as amended.

V. CONTROLS AUTHORIZED BY THE AGRICULTURAL ACT OF 1948 (MARKETING QUOTAS, ACREAGE ALLOTMENTS, PRODUCTION GOALS, AND MARKETING PRACTICES)

(1) *Basic commodities*.—Marketing quotas and acreage allotments are authorized under certain conditions under the Agricultural Adjustment Act of 1938. The Agricultural Act of 1948 changes the conditions under which marketing quotas may be proclaimed for corn, wheat, cotton, and rice. Marketing quotas for any such commodity may be proclaimed when it is estimated that the total supply for the marketing year in question will exceed the normal supply by more than 20 percent (8 percent in the case of cotton) or when the average farm price for three successive months of the preceding marketing year has been 66 percent of parity or less, provided the total supply of the commodity for the year is not less than the normal supply.

The time for proclaiming quotas in the case of corn and wheat has been changed from a short time prior to the harvest of the crop on which quotas are to be imposed to some time prior to the planting of the crop. Likewise, under the new act, the referendum to determine whether farmers approve quotas is to be held prior to the planting of the crop. The date by which the Secretary is required to proclaim marketing quotas for cotton and rice is the same as under the 1938 act. In each case, the date is prior to the planting of the crop.

Prior legislation which is not changed by this act requires marketing quotas to be proclaimed for peanuts each year.

In the case of tobacco, no change is made in the basic provisions for proclaiming quotas, but a proviso is added which makes these provisions largely ineffective. Under the proviso, the Secretary is required to proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year. The proviso also requires the Secretary to proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco. Thus, once the Secretary has proclaimed quotas for any kind of tobacco for any marketing year after the act becomes effective, he is required to proclaim a national marketing quota for that kind of tobacco for each succeeding marketing year without regard to the price or supply situation.

In determining national acreage allotments for corn and wheat and the national baleage allotment for cotton, the Secretary is required

to give consideration to imports of the commodity involved. No such change is made in the tobacco, rice, and peanut provisions.

All marketing quotas are to take effect unless opposed by more than one-third of the farmers voting in a referendum.

(2) *Nonbasic commodities*.—In providing price support for nonbasic agricultural commodities the Secretary of Agriculture is authorized to require compliance by producers with acreage allotments, production goals, and marketing practices prescribed by the Secretary as a condition of eligibility for price support.

VI. LIMITATIONS UPON THE AUTHORITY OF THE COMMODITY CREDIT CORPORATION TO SELL AGRICULTURAL COMMODITIES OWNED BY IT

In order to prevent sales of farm commodities by the Commodity Credit Corporation in a manner which would impair price-support operations under the permanent price-support program, certain limitations are imposed upon the price at which the Commodity Credit Corporation may sell farm commodities acquired or held by it. These limitations, generally comparable to those now in effect, provide that the Commodity Credit Corporation shall not sell any farm commodity owned or controlled by it at less than (1) a price determined on a pricing basis for its stocks of such commodity on hand, which makes due allowance for grade, type, quality, location, and other factors and which are reasonably calculated to reimburse it for costs incurred by it with respect to such stocks; (2) a price halfway between the support price, if any, and the parity price of such commodity; or (3) a price equivalent to 90 percent of the parity price of such commodity, whichever price is the lowest. Certain sales are excepted from this directive which permits sales to prevent loss or waste through spoilage, sales for other than primary uses, and sales for other specified purposes.

VII. CHANGES IN THE PARITY FORMULA

One of the most significant and major changes made by the Agricultural Act of 1948 is the change in the parity formula. In substance, the new formula would retain the 1910-14 relationship between the prices of agricultural commodities and the prices of things that farmers buy in determining parity for agricultural prices, generally, but would use the last preceding 10-year period in determining the parity relationship among the agricultural commodities themselves. The parity price for any agricultural commodity under the new formula is to be determined by dividing the average price received by farmers for that commodity during the preceding 10 calendar years (or during the 10 marketing seasons beginning within this period) by the index of prices received by farmers for all commodities during the same period to determine an "adjusted base price." This adjusted base price is then multiplied by the current index of prices paid by farmers, including interest and taxes to obtain the current parity price.

In addition to the change in the parity formula, transitional parity prices are provided for commodities whose parity prices, as calculated under the Agricultural Adjustment Act of 1938, are higher than the parity prices as calculated above. The transitional parity price

of a commodity at any date shall be its parity price as calculated under the Agricultural Adjustment Act of 1938 less 5 percent of the parity price so determined, multiplied by the number of full calendar years which have elapsed after January 1, 1949. This means that as of January 1, 1950, when title II of the Agricultural Act of 1948 goes into effect, the transitional parity price, where applicable, will be 95 percent of the parity price as formerly calculated.

The Secretary of Agriculture is also authorized, after a public hearing, to put into effect for particular commodities other methods of computing parity if their parity prices as provided for above appear to be seriously out of line with the parity prices of other agricultural commodities.

The definition of parity income is also revised but it has no substantive effect since no operating provisions of the bill are based on parity income.

VIII. CHANGES IN THE METHOD OF CALCULATING SUPPLY

The terms "carry-over," "normal supply," and "total supply" are used in connection with marketing quotas, acreage allotments, and the levels of price support. The definitions of "carry-over" and "total supply" in the Agricultural Adjustment Act of 1938 have been changed by the Agricultural Act of 1948, the principal effect of which is to include imports, and in the case of cotton to exclude foreign-held stocks produced in the United States.

The definition of "normal supply" with respect to cotton, corn, wheat, rice, and peanuts in the 1938 act has also been changed by the 1948 act. "Normal supply" of these commodities is to be determined by estimating domestic consumption and exports for specified years and by adding thereto an allowance for carry-over. Such carry-over allowance is the same as under the 1938 act except that cotton has been reduced from 40 to 30 percent. In the case of peanuts, to which the term is made applicable for the first time, the percentage carry-over is 15. In addition, the Secretary of Agriculture is given discretionary authority to make adjustments in "normal supply" for current trends in consumption and for unusual conditions.

IX. CONTROL OF IMPORTS

Section 22 of the Agricultural Adjustment Act authorizes the imposition of import fees and quotas on articles imported into the United States whenever the importation of such articles interferes with certain agricultural programs undertaken by the Department of Agriculture. The Agricultural Act of 1948 amended this section to include price support among such programs to prevent imports from materially interfering with price-support programs.

X. SECTION 32 FUNDS

Title III of the act of 1948 provides that beginning with the fiscal year 1950, funds appropriated under section 32 of the act of August 24, 1935, for use in encouraging exportation of agricultural commodities and increasing (by means of diversion programs) domestic

consumption of agricultural commodities and reestablishing farmers' purchasing power, may, to the extent not utilized, be accumulated up to \$300,000,000.

XI. SOIL CONSERVATION

Section 4 of the Agricultural Act of 1948 extends until December 31, 1950, the period during which the Secretary of Agriculture is authorized to carry out Federal programs relating to soil conservation under sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act.

APPENDIX

Table 1 illustrates the relationships between parity as defined in the Agricultural Act of 1948 and parity prices calculated under the present formula for major agricultural commodities. The table also illustrates the transitional parity-price provision by assuming that the bill went into effect on January 1, 1948.

TABLE 1.—*Prices received by farmers, parity prices, and parity prices according to provisions of the Agricultural Act of 1948, assuming the act went into effect Jan. 1, 1948, United States, Mar. 15, 1948*¹

Commodity	Unit	Average price received by farmers January 1938-December 1947 ²	1938-47 prices adjusted to 1910-14 levels ³	Parity prices March 15		
				1948 act formula ⁴	Transitional ⁵	Present formula
		(1)	(2)	(3)	(4)	(5)
<i>Field crops:</i>		<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>
Wheat.....	Bushel.....	1.22	.726	1.79	2.07	2.18
Corn.....	do.....	.953	.567	1.40	1.51	1.59
Oats.....	do.....	.550	.327	.808	.937	.986
Barley.....	do.....	.808	.481	1.19	1.45	1.53
Rice.....	do.....	1.44	.857	2.12	-----	2.01
Rye.....	do.....	.973	.579	1.43	1.69	1.78
Grain sorghums.....	Hundredweight.....	1.56	.930	2.30	2.84	2.99
Flaxseed.....	Bushel.....	2.78	1.65	4.08	-----	4.17
Dry field peas.....	Hundredweight.....	3.75	2.23	5.51	-----	5.16
Beans, dry edible.....	do.....	5.56	3.31	8.18	-----	8.32
Soybeans.....	Bushel.....	1.66	.988	2.44	-----	2.37
Peanuts.....	Pound.....	.062	.037	.091	.113	.119
Cotton.....	do.....	.1808	.1076	.2658	.2910	.3063
Cottonseed.....	Ton.....	44.60	26.50	65.50	-----	55.70
Potatoes.....	Bushel.....	1.08	.643	1.59	1.75	1.84
Sweet potatoes.....	do.....	1.54	.917	2.26	-----	2.17
<i>Fruits:</i>						
Apples.....	do.....	1.81	1.08	2.67	-----	2.37
Grapefruit.....	Box.....	.752	.448	1.11	1.95	2.05
Lemons.....	do.....	1.56	.929	2.29	3.14	3.31
Oranges.....	do.....	1.55	.923	2.28	3.57	3.76
<i>Livestock and products:</i>						
Hogs.....	Hundredweight.....	12.50	7.44	18.40	-----	18.00
Beef cattle.....	do.....	10.90	6.49	16.00	-----	13.40
Veal calves.....	do.....	12.30	7.32	18.10	-----	16.70
Sheep.....	do.....	5.71	3.40	8.40	10.60	11.20
Lambs.....	do.....	11.90	7.08	17.50	-----	14.50
Butterfat.....	Pound.....	.444	.264	.652	-----	.650
Milk, wholesale.....	Hundredweight.....	2.81	1.67	6.12	-----	6.39
Chickens.....	Pound.....	.204	.121	.299	-----	.282
Turkeys.....	do.....	.245	.146	.361	-----	.356
Eggs.....	Dozen.....	.312	.186	6.459	.504	6.531
Wool.....	Pound.....	.350	.208	.514	-----	.452

¹ Prepared by Bureau of Agricultural Economics for Senate Committee on Agriculture and Forestry and does not represent official determinations of the Department of Agriculture.

² Exceptions: potatoes, oranges, grapefruit, and lemons, which are weighted season averages for the 10 marketing seasons beginning in the period 1938-47.

³ Column (1) divided by 1938-47 average of the index of prices received by farmers (168).

⁴ Prices in column (2) multiplied by the index of prices paid, interest and taxes for March 1948 (247).

⁵ Assuming that the Agricultural Act of 1948 went into effect Jan. 1, 1948, transitional parity prices would be 95 percent of the present parity in those cases where that is higher than parity prices according to the formula in the 1948 act.

⁶ Not adjusted for seasonal variation.

Table 2 shows the support levels by commodities expressed as a percentage of parity.¹

TABLE 2.—*Support levels for 1948, 1949, 1950, and subsequent years*

Commodity	1948 (percent of parity)	1949 (percent of parity)	1950 and subsequent years (percent of parity)
Cotton	92½ ^{1 2}	90 ^{2 3}	60 to 90. ^{4 5}
Corn	90 ^{1 2}	90 ^{2 3}	60 to 90. ^{4 5}
Wheat	90 ^{1 2}	90 ^{2 3}	60 to 90. ^{4 5}
Tobacco	90 ^{1 2}	90 ^{2 3}	90. ⁵
Rice	90 ^{1 2}	90 ^{2 3}	60 to 90. ^{4 5}
Peanuts	90 ^{1 2}	90 ^{2 3}	60 to 90. ^{4 5}
Hogs	90	90	0 to 90.
Eggs	90	90	0 to 90.
Chickens	90	90	0 to 90.
Milk and butterfat	90	90	0 to 90.
Turkeys	90	60 to 90.	0 to 90.
Soybeans for oil	90	60 to 90.	0 to 90.
Peanuts for oil	90	60 to 90.	0 to 90.
Dry beans (certain varieties)	90	60 to 90.	0 to 90.
Dry peas (certain varieties)	90	60 to 90.	0 to 90.
Potatoes (Irish)	90	60 to 90. ⁶	60 to 90.
Sweet potatoes	90	60 to 90.	0 to 90.
Flaxseed for oil	\$6 per bushel ⁷	60 to 1948 support level	0 to 90.
Wool	42.3 cents per pound ⁸	Same as 1948 ³	60 to 90.
Other commodities	Discretionary with Secretary.	Discretionary with Secretary.	0 to 90.

¹ Applicable through marketing season for 1948 crops.

² If producers have not disapproved marketing quotas.

³ Applicable through marketing season to June 30, 1950.

⁴ Depending on level of supply.

⁵ 50 percent of parity if producers have disapproved marketing quotas.

⁶ Harvested before Jan. 1, 1949, but not marketed until after that date 90 percent of parity.

⁷ Reflects about 134 percent of June 15, 1948, parity.

⁸ Reflects about 92 percent of the June 15, 1948, parity

¹ For 1950 and subsequent years, parity is revised.

